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S. 3245

IN THE SENATE OF THE UNITED STATES

APRIL 5, 1954

Mr. Aiken introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That section 2 (a) of the Act of April 6, 1949 (63 Stat.
- 4 43), as amended, is further amended by adding at the end of
- 5 the first sentence of said subsection the following: "Until
- 6 December 31, 1954, the Secretary is also authorized to make
- 7 emergency loans for any agricultural purposes, except for
- 8 refinancing of existing indebtedness, aggregating not to
- 9 exceed \$15,000,000 to farmers and stockmen in any area
- 10 or areas where the Secretary determines that there is a need

- 1 for such credit which cannot be met for a temporary period
- 2 from commercial banks, cooperative lending agencies, the
- 3 Farmers Home Administration under its regular programs,
- 4 under other provisions of this Act, or other responsible
- 5 sources.".

BILL

To amend the Act of April 6. 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

By Mr. Aiken

April 6. 1949, as amended on the April 6. 1954, to improve the program of emergency loans, and for other purposes.

By Mr. Aiken

April 6. 1949, as amended to the comprove the program of emergency loans, and for other purposes.

H. W. 87 18

WANTE



H. R. 8748

IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1954

Mr. Hope introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That section 2 (a) of the Act of April 6, 1949 (63 Stat.
- 4 43), as amended, is further amended by adding at the end
- 5 of the first sentence of said subsection the following:
- 6 "Until December 31, 1954, the Secretary is also au-
- 7 thorized to make emergency loans for any agricultural
- 8 purposes, except for refinancing of existing indebtedness,
- 9 aggregating not to exceed \$15,000,000 to farmers and stock-
- 10 men in any area or areas where the Secretary determines that

- 1 there is a need for such credit which cannot be met for a
- 2 temporary period from commercial banks, cooperative lend-
- 3 ing agencies, the Farmers' Home Administration under its
- 4 regular programs, under other provisions of this Act, or
- 5 other responsible sources."

BIL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

By Mr. Hope

APRIL 7, 1954

Referred to the Committee on Agriculture





Con commo mentre resona mucho respecto resona red	,	Issued May 4, 1954 ions of Pay 3, 1954
OFFICE OF BUDGET AND FINANCE	For act:	ions of Pay 3, 1954
(For Department Staff Only)		83rd-2nd, No. 80
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HIGHLIGHTS: Senate committee reported emergency farm loans bill. House committee reported bill to amend Standard Container Act. House sent 3rd supplemental appropriation bill to conference. Sen. Humphrey recommended food stamp plan and additional incentives for grain storage facilities. Rep. Harrison, Jebr., outlined FAS efforts to develop new markets,

- I. FART LOANS. The Agriculture and Forestry Committee reported with amendments S. 3245, to provide for a new emergency loan program of up to 15 million for farmers and stockmen through Dec. 1954 (S. Rept. 1277)(p. 5499).
- 2. SURPLUS CO TODITIES; GRAIN STORAGE. Sen. Humphrey spoke in favor of a food stamp plan and recommended that additional incentives be provided for grain storage facilities on farms (pp. 5551-2).
- 3. EXTENSION SERVICE. Sen. Humphrey commended the Extension Service record regarding home demonstration work (pp. 5550-1).
- 4. FOREIGN AID. Both Houses received from the President the report on lend-lease operations for the calendar year 1953 (H. Doc. 366)(pp. 5498, 5555).
- 5. TENNESSEE VALLEY AUTHORITY. Sen. Kefauver commended this agency and charged that a lobbyist was effective in reducing its funds (pp. 5547-50).
- 6. TRANSPORTATION. The D. C. Committee submitted a report on its study of transportation facilities in D. C. (S. Rept. 1974)(p. 5498).
- 7. EXPENDITURES. Sen. Byrd inserted a summary of unexpended balances, etc. (p. 5502).
- 8. COMMITTEE ASSIGN ENTS. Sen. Bowring was assigned to the Post Office and Civil

- Service, Interstate and Foreign Commerce, and Labor and Public Welfare Committees (p. 5497).
- 9. LEGISLATIVE PROGRAM. It was agreed that the Senate will consider bills on the calendar today (pp. 5508-9).

HOUSE

- 10. CONTAINERS. The Interstate and Foreign Commerce Committee reported with amendment H. R. 8357, to amend the Standard Container Act of 1928 so as to provide for a 3/8 bushel basket for fruits and vegetables (H. Rept. 1550)(p. 5588).
- 11. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1954. Reps. Taber, Wigglesworth, Clevenger, Cannon, and Rooney were appointed conferees on this bill, H. R. 8481 (p. 5555). Senate conferees were appointed Apr. 28.
- 12. EXTENSION SERVICE. Passed without amendment H. J. Res. 300, to provide for sale of a tract of Veterans' Administration land to Kerr County, Tex., for agricultural extension activities (pp. 5558-9).
- 13. STATISTICS. Passed without amendment H. R. 8487, to provide that the censuses of manufactures, mineral industries, and other businesses (including the distributive trades), which were to have been taken in 1954 for 1953, shall be taken instead in 1955 for 1954 (p. 5559).
- 14. PUBLIC LANDS. House conferees were appointed on H. R. 1815, to amend the Recreation Act regarding public lands (p. 5560). Senate conferees have been appointed.
- 15. PUERTO RICO. Rep. Bow spoke in favor of H. Res. 512, to provide for a study of the social and economic relationship of the U. S. and Puerto Rico (pp.5585-6).
- 16. ST. LAWRENCE SEAWAY. Rep. Rabaut spoke in support of this project (pp. 5586-7).
- 17. ELECTRIFICATION. Received from the Federal Power Commission a report, "Statistics of Electric Utilities in the United States, 1952, Publicly Owned" (p.5587)
- 18. COMPTROLLER GENERAL. Rep. Bonner commended the record of Lindsay C. Warren as Comptroller General (pp. 5561-2).

BILLS INTRODUCED

- 19. SMALL BUSINESS. S. 3386, by Sen. Johnson, Tex. (for himself and Sen. Daniel), to provide for small-business loans in the drought areas; to Banking and Currer cy Committee (p. 5500). Remarks of author (p. 5500).
- 20. FARN PROBLEMS. H. Res. 524, by Rep. Smith, Wis., creating a select committee to study farm problems; to Rules Committee (p. 5588).
- 21. SURPLUS COMPODITIES. H. R. 8971, by Rep. Phillips, to encourage disposal of agricultural surpluses and to improve the foreign relations of the U.S.; to Agriculture Committee (p. 5588).
- 22. FOREIGN AID. H. R. 8966, by Rep. Bucharan, to provide that parcel post packages for Korean relief be sent free of postage; to Post Office and Civil Service Committee (p. 5588).
- 23. RECLAMATION. H. R. 8964, by Rep. Hunter, to authorize the San Luis division of

EMERGENCY LOAN AUTHORITY

MAY 3 (legislative day, APRIL 14), 1954.—Ordered to be printed

Mr. Welker, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany S. 3245]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 3245) to amend the act of April 6, 1949, as amended by the act of July 14, 1953, to improve the program of emergency loans, and for other purposes, having considered same, report thereon with a recommendation that it do pass with amendments.

This bill would authorize the Secretary of Agriculture until the end of this year to make emergency loans to farmers and stockmen in areas where other credit is temporarily not available. The total amount which could be loaned under this bill would the \$15 million.

Due principally to a sharp drop in potato prices, farmers in some areas are faced with a need for credit which has exhausted funds available in those areas for Farmers' Home Administration production and subsistence loans, as well as other sources of credit. While your committee generally does not favor economic disaster loans, it believes that the situation in these areas is such as to require authorization of additional credit. Your committee further believes that the loans under this act should not be made to producers of commodities which are likely to be in surplus supply unless they agree to keep their production in line with such individual production goals as the Secretary may specify.

The committee amendments to the first section of the bill would keep the provisions of the bill separate from those of the act of April 6, 1949, in order that the economic disaster loan authority provided by the bill not become confused with the production disaster loan authority provided by the act of April 6, 1949. Your committee also recommends the addition of two new sections. Section 2 would provide for the fixing of terms and conditions by the Secretary and would require the personal obligation and available security of the

borrower or its stockholders to be pledged to secure the obligation. The first part of this section is similar to provisions contained in the act of April 6, 1949, and Public Law 115 of this Congress, which amended the act of April 6, 1949. The second part of this section is similar to section 2 of Public Law 115.

Section 3 would permit the Secretary to utilize not to exceed \$15 million of the revolving fund created by section 84 of the Farm Credit Act of 1933 in making loans under the bill, plus such additional amounts as may be necessary for administrative expenses in connection with such loans. This is the same fund that the Secretary uses in making loans under the act of April 6, 1949.

A fuller explanation of the bill is contained in the following letter from the Acting Secretary of Agriculture:

DEPARTMENT OF AGRICULTURE, Office of the Secretary, Washington, D. C., April 2, 1954.

The PRESIDENT OF THE SENATE, United States Senate.

DEAR MR. PRESIDENT: There is submitted herewith for the consideration of the Congress a proposed bill which would authorize the Secretary of Agriculture to make emergency loans to farmers and stockmen, aggregating not to exceed \$15 million, our of the disaster loan revolving fund, in any area where the Secretary

finds need for agricultural eredit which could not otherwise be met.

The aet of April 6, 1949 (63 State. 43), dissolved the Regional Agricultural Credit Corporation of Washington, D. C., and transferred its assets to the Secretary of Agriculture for liquidation and use as a revolving fund, for the making of agricultural production disaster loans and for other special type loans. On July 14, 1953, the act was amended to authorize loans to farmers and stockmen in any area found by the President to have suffered a major disaster under the provisions of Public Law 875, 81st Congress (42 U. S. C. 1855), and found by the Secretary of Agriculture to have suffered an economic disaster causing a need for agricultural eredit which could not be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs, or other responsible sources.

Under the language of the proposed bill, the Secretary would be authorized to

make loans from the revolving fund for the period ending December 31, 1954, to farmers and stockmen for any agricultural purpose, except for refinancing existing indebtedness, in any area where the Secretary determines there is a need for agricultural eredit that eannot be met for a temporary period from commercial banks, ecoperative lending agencies, the Farmers' Home Administration under its regular programs, under other provisions of the aet of April 6, 1949, as amended, or other responsible sources. Such loans would be made at interest rates and on such terms as may be determined by the Secretary for designated areas. If enacted, the amended authority will enable the Secretary to consider the need for emergency agricultural eredit in any area where such disasters occur without the requirement that such areas must have been previously designated by the President under Public Law 875 as being a major disaster area because of some natural eatastrophe such as drought or flood. Under the present law, economic disaster loans may be made only in areas where serious production losses have a resulted from some major disaster. In areas that are designated by the President resulted from some major disaster. In areas that are designated by the President under Publie Law 875, emergency eredit needs of farmers generally ean be met through production disaster loans now authorized under section 2 (a) of Public Law 38, as amended. Thus, economic disaster loans authorized by section 2 (b) are presently limited to farmers in areas in which production disaster loans usually can be authorized.

The need for this additional lending authority is demonstrated by the situation of the farmers in Aroostook County, Maine, who are now encountering a serious economic disaster because of the sharp decline in the price of potatoes during 1953 which will create a substantial need for emergency credit not available from established sources and not available from this Department under present restricted authority. Since the area has not been designated by the President pursuant to Public Law 875 and since there has been no major production loss, assistance eould not now be authorized either through production disaster loans or economic

Similar situations exist in Idaho and parts of Colorado. Other situations undoubtedly will develop in other segments of our agricultural industry in other scattered areas not eligible for production disaster loans.

It is contemplated that the funds currently in the disaster loan revolving fund would be used to make loans under the proposed authorization. It is not contemplated that any additional funds will be needed to make such loans. The necessity of any further appropriations to the revolving fund is contingent upon the other calls on the disaster loan fund during the coming crop year.

The Department recommends the enactment of this proposed legislation.

The Bureau of the Budget advises that there is no objection to the submission of this proposed legislation to the Congress for its consideration.

Sincerely yours,

TRUE D. MORSE, Acting Secretary.



Calendar No. 1280

83D CONGRESS 2D SESSION

S. 3245

[Report No. 1277]

IN THE SENATE OF THE UNITED STATES

APRIL 5, 1954

Mr. Aiken introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

MAY 3 (legislative day, April 14), 1954 Reported by Mr. Welker, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That section 2 (a) of the Act of April 6, 1949 (63 Stat.
- 4 43), as amended, is further amended by adding at the end of
- 5 the first sentence of said subsection the following: "Until
- 6 December 31, 1954, the Secretary is also until December 31,
- 7 1954, the Secretary is authorized to make emergency loans for
- 8 any agricultural purposes, except for refinancing of existing
- 9 indebtedness, aggregating not to exceed \$15,000,000 to
- 10 farmers and stockmen in any area or areas where the Secre-

- 1 tary determines that there is a need for such credit which
- 2 cannot be met for a temporary period from commercial
- 3 banks, cooperative lending agencies, the Farmers Home
- 4 Administration under its regular programs or under the Act
- 5 of April 6, 1949, under other provisions of this Act, or other
- 6 responsible sources." sources.
- 7 Sec. 2. Loans under this Act shall (1) be made at such
- 8 rates of interest and on such terms and conditions as the
- 9 Secretary shall prescribe for such area or areas, and (2) be
- 10 secured by the personal obligation and available security of
- 11 the producer or producers, and in the case of loans to cor-
- 12 porations or other business organizations, by the personal
- 13 obligation and available security of each person holding as
- 14 much as 10 per centum of the stock or other interest in the
- 15 corporation or organization.
- 16 Sec. 3. The Secretary may utilize the revolving fund
- 17 created by section 84 of the Farm Credit Act of 1933, as
- 18 amended (12 U.S. C. 1148a), for making loans under this
- 19 Act, and for administrative expenses in connection with such
- 20 loans. Sums received by the Secretary from the liquidation
- 21 of loans made under this Act shall be added to and become a
- 22 part of the said revolving fund.

Amend the title so as to read: "A bill to provide emergency credit."



A BILL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

By Mr. AIKEN

April 5, 1954

Read twice and referred to the Committee on Agriculture and Forestry

MAY 3 (legislative day, April 14), 1954
Reported with amendments





Digital CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only)

Issued For actions of

May 12, 1954, May 11, 1954

83rd-2nd, No. 66

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HIGHLIGHTS: House passed bill to amend Standard Container Act. House committee voted to report emergency farm Toans bill. Senate committee reported O&C-land jurisdiction bill. Senate debated bill to speed up ICC rate decisions.

HOUSE

- 1. CONTAINERS. Passed as reported H. R. 8357, to amend the Standard Container Act so as to authorize a 3/8 bushel basket for fruits and vegetables (pp. 6052-60).
- 2. FARM LOANS. The Agriculture Committee voted to report (but did not actually report) 5. 3245, to eliminate the requirement that economic disaster loans be restricted to areas designated by the President and to make \$15,000,000 available for economic emergency loans. The committee agreed to several amendments to the bill, one of which would enable such loans to be made until June 30, 1955. (pp. D510-11.)
- 3. COPPER IMPORTS. Passed as reported H. R. 7709, to extend the date of suspension of certain import taxes on copper to June 30, 1956 (pp. 6024-5).

. SENATE

- 4. FORESTRY. The Interior and Insular Affairs Committee reported with amendments S. 2225, relating to jurisdiction over certain O&C grant lands in Cregon (S. Rept. 1314) (p. 5977).
- 5. SOIL CONSERVATION. The Interior and Insular Affairs Committee reported without amendment H. R. 7057, to authorize the Secretaries of Agriculture and Interior to transfer, exchange, and dispose of land in the Eden project, Wyo. (S. Rept. 1317)(p. 5977).
- 6. RECIAMATION. The Interior and Insular Affairs Committee reported with amendments S. 118, to authorize the initial phase of the Mashita Basin project (S. Rept. 1315), and H. R. 5731, to authorize Santa Margarita facilities; Calif. (S. Rept. 1322)(p. 5977).

- 7. TRANSPORTATION. Began debate on S. 1461, to expedite action by ICC upon applications of certain common carriers for rate increases (pp. 6014-19).
- 8. PERSONNEL; EXPENDITURES. The Joint Committee on Reduction of Nonessential Federal Expenditures submitted a report on employment in Feb. 1954 (pp. 5977-81).
- 9. FAR! LOANS. Sen. Welker submitted an amendment which he intends to propose to S. 3245, the emergency farm loans bill (p. 5984).

BILLS INTRODUCED

- 10. ELECTRIFICATION. S. 3434, by Sen. Bricker, to provide that charges shall be paid by Federal power projects which are benefited by stream improvements constructed by other parties; to Interstate and Foreign Commerce Committee (p. 5982).
- 11. PERSONNEL. H. R. 9097, by Rep. Fulton, to provide a cost of living and increased productivity pay increase for employees under the Classification Act; to Post Office and Civil Service Committee (p. 6076).

 H. R. 9102, by Rep. Lesinski, to repeal the Whitten personnel amendment; to Post Office and Civil Service Committee (p. 6076).
- 12. VEHICLES. H. R. 9101, by Rep. Pilcher, to authorize the purchase of liability insurance on Government vehicles; to Government Operations Committee (p. 6076).
- 13. FARM MACHINERY. H. R. 9100, by Rep. Martin, Iowa, to exempt farm equipment repair parts from the excise tax levied on automobile parts; to Mays and Means Committee (p. 6076).

COMITTEE HEARINGS RELEASED BY GPO

- 14. FARM PROGRAM. S. 3052, to encourage a stable, prosperous, and free agriculture Part II. S. Agriculture and Forestry Committee.
- 15. FOREIGN TRADE. East-West Trade. S. Foreign Relations Committee.
- 16. TRANSPORTATION. H. R. 3792, authorizing ICC to revoke, amend, or suspend water carrier certificates and permits. S. Interstate and Foreign Commerce Committee

BILL APPROVED BY THE PRESIDENT

17. THIRD SUPPLEMENTAL APPROPRIATION ACT, 1954, H. R. 8481. Approved May 11, 1954 (Public Law 357, 83rd Cong.). This Act includes the following items: ACP payments for wind erosion control measures, \$15,000,000; increase of \$2,900,000 in administrative—expense limitation for CCC; Disaster Loan Revolving Fund, \$10,000,000 additional; fighting forest fires, \$4,500,000 additional; and FCA, \$120,000 additional.

SENATE (Continued)

18. TREASURY-POST OFFICE APPROPRIATION BILL, 1955. In reporting this bill, H. R. 7893 (see Digest 85), the committee included the following statements in its report:

Work for other agencies: "The committee agreed unanimously with the language contained on page 15 of the House report and especially emphasizes the following portion: 'It is felt that the agency having the responsibility for an

Oregon; S. 2761, to approve repayment contracts negotiated with Hermiston and West Extension Irrigation Districts, Oregon; S. 964, to authorize construction, operation, and maintenance of Fryingpan-Arkansas project, Colorado; S. 118, authorizing construction, operation, and maintenance of Washita River Basin reclamation project, Oklahoma; S. 2744, providing for termination of Federal supervision over property of the Alabama and Coushatta Tribes of Indians of Texas; and S. 2746, providing for termination of Federal supervision over property of certain tribes of Indians located in western Oregon.

TRIP LEASING

Committee on Interstate and Foreign Commerce: Committee continued hearings on H. R. 3203, to prohibit the ICC from regulating the duration of certain leases for the use of equipment by motor carriers, with testimony favoring its enactment from the following witnesses: C. B. Culpepper, general manager, Atlanta Freight Bureau, Atlanta, Ga.; Durward Seals, traffic manager, United Fresh Fruit & Vegetable Association, Washington, D. C.; Howell E. Ellis, attorney, Motor Carriers Leasing Conference, Indianapolis; T. Vernon Hansen, manager of traffic division, Pennsylvania Farm Bureau Cooperative Association, Harrisburg, Pa.; and J. Roy Jones, commissioner, State of South Carolina. Hearings continue June 7.

FLAMMABLE FABRICS ACT

Committee on Interstate and Foreign Commerce: Subcommittee on Business and Consumer Interests held hearings on S. 3379, to exempt from the Flammable Fabrics Act certain fabrics which are not highly flammable, with testimony favoring its enactment from Robert E. Asher, Acting Deputy Director, Office of Economic Defense and Trade Policy, State Department; John L. Kilcullen, Associate General Counsel, Kenneth F. McClure, Assistant General Counsel, and Dr. W. D. Appel, Bureau of Standards, all of the Commerce Department; Earl W. Kintner, General Counsel, and Harvey H. Hannah II, Chief, Division of Wool and Fur Labeling, both of the FTC; George S. Buck, Jr., technical director, National Cotton Council of America, Washington, D. C.; Rudolph C. Geering, Princeton Knitting Mills, Watertown, Conn.; Sol Luria, assistant general manager, General Dyestuffs Corp., New York.; George Marlin, National Women's Neckwear & Scarf Association, Inc., New York; William Allan, executive vice president, Baltic Mills, Baltic, Conn.; Arthur Barnes, Ponemah Mills, Taftville, Conn.; Joseph L. Miller, National Association of Cotton Manufacturers; and Milton Beards, secretary-treasurer, Baar & Beards, Inc., New York. Subcommittee recessed subject to call.

CONSTITUTIONAL AMENDMENT—INDIAN RIGHTS

Committee on the Judiciary: Subcommittee held hearings on S. J. Res. 4, proposing an amendment to the Constitution to restore the same rights to Indian tribes which are enjoyed by all citizens of the U. S. Testimony in opposition to the proposed legislation was received from representatives of the Department of the Interior, Association of American Indian Affairs, National Congress of American Indians, and from representatives of individual Indian tribes in Wisconsin, Wyoming, Montana, and Oregon. Testimony favoring enactment of the bill was received from Mrs. Alice Lee Jemison, of Herndon, Va. Subcommittee recessed subject to call.

CONSTITUTIONAL AMENDMENT— QUALIFICATIONS OF ELECTORS

Committee on the Judiciary: Subcommittee held hearings on S. J. Res. 25, proposing an amendment to the Constitution relating to the qualifications of electors, with testimony favoring its enactment from Senator Holland. Subcommittee adjourned subject to call.

VETERANS' DAY

Committee on the Judiciary: Subcommittee held hearings on H. R. 7786, to change the name of the legal holiday known as Armistice Day (November 11) to Veterans' Day. Testimony favoring its enactment was heard from its sponsor, Representative Rees, and representatives of the American Legion, VFW, DAV, and AVC. Subcommittee recessed subject to call.

PRIVATE BILLS POSTPONED

Committee on the Judiciary: In addition to actions announced following its executive meeting on May 10, the committee also indefinitely postponed further action on 14 private claims bills (S. 1804, 1886, 2039, 2160, 2226, 2227, 2374, 2737, 2756, 2860, 2883, 2972, 2986, and H. R. 6086).

SCHOOL CONSTRUCTION

Committee on Labor and Public Welfare: Subcommittee on Education held hearings on S. 359, 2601, and 2779, all pertaining to Federal aid to school construction. Testimony was received from Worth McClure, American Association of School Administrators, and Agnes E. Meyer, both of whom urged early enactment of legislation providing Federal aid for school construction. Hearings continue tomorrow.

House of Representatives

Chamber Action

Bills Introduced: 9 public bills, H. R. 9094–9102; 4 private bills, H. R. 9103–9106; and 15 resolutions, H. J. Res. 523, H. Con. Res. 234, and H. Res. 530–542, were introduced.

Pages 6024, 6028, 6036, 6039, 6041, 6044, 6048–6049, 6051–6052, 6076

Bills Reported: Reports were filed as follows:

H. Res. 530, providing for consideration of, and 1 hour of general debate on, H. R. 7601, authorizing appropriation to provide for a White House Conference on Education (H. Rept. 1575);

H. Res. 531, providing for consideration of, and 1 hour of general debate on, H. R. 9040, to authorize coop-

erative research in education (H. Rept. 1576);

H. Res. 532, providing for consideration of, and 1 hour of general debate on, H. R. 7434, to establish a National Advisory Committee on Education (H. Rept. 1577);

Proceedings against Bernhard Deutch (H. Rept.

1578);

Proceedings against John T. Watkins (H. Rept.

Proceedings against Wilbur Lee Mahaney, Jr.

(H. Rept. 1580);

Proceedings against Mrs. Goldie E. Watson (H. Rept. 581):

Proceedings against Lawrence Baker Arguimbay

(H. Rept. 1582);

Proceedings against Marcus Singer (H. Rept. 1583); Proceedings against Ole Fagerhaugh (H. Rept. 1584); Proceedings against Barrows Dunham (H. Rept. 585);

Proceedings against Francis X. T. Crowley (H. Rept.

1586);

H. R. 6888, to grant authority to the Hawaiian Homes Commission to lease to native Hawaiians homelands of irrigated pastoral lands, amended (H. Rept. 1587); and

H. R. 5840, a private bill, amended (H. Rept. 1588).

Pages 6075-6076

Copper Taxes: Adopted committee amendments and passed H. R. 7709, to extend the date of suspension of certain import taxes on copper to June 30, 1956.

Pages 6024-6025

D. C. Public Works: Conference report on H. R. 8097, to authorize the financing of a public works construction program for the District of Columbia, was adopted by the House thereby clearing the legislation for Presidential action.

Private Bill: Adopted conference report on H. R. 3832, a private bill, and thus cleared the legislation for the White House.

Contempt Citations: Adopted nine resolutions, citing witnesses for contempt of the House of Representatives,

by refusal to answer questions before the Committee on Un-American Activities.

H. Res. 533, citing Bernhard Deutch, was adopted by a rollcall vote of 346 yeas to 0 nays.

Pages 6025-6032

The following resolutions were adopted by voice vote.

H. Res. 534, citing John T. Watkins;

H. Res. 535, citing Wilbur Lee Mahaney, Jr.; H. Res. 536, citing Mrs. Goldie E. Watson;

H. Res. 537, citing Lawrence Baker Arguimbau;

H. Res. 538, citing Marcus Singer; H. Res. 539, citing Ole Fagerhaugh;

H. Res. 540, citing Barrows Dunham; and

H. Res. 541, citing Francis X. T. Crowley.

Pages 6032-6052

Containers: Passed without amendment H. R. 8357, to amend the Standard Container Act of May 21, 1928, to provide for a 3/8 basket for fruits and vegetables.

H. Res. 528, the rule for consideration of H. R. 8357, was previously adopted.

Pages 6052-6060

Securities Exchange Act: Adopted H. Res. 527, providing for consideration of, and I hour of debate on, S. 2846, to amend certain acts administered by the SEC; concluded general debate; and read the first four sections of the bill before deferring further action on the legislation until Wednesday.

Pages 6060-6071

Bill Referred: S. 2670, to provide for termination of Federal supervision over the property of certain tribes and individual members of Indians of Utah, was referred to the Committee on Interior and Insular Affairs.

Page 6075

Program for Wednesday: Adjourned at 4:54 p. m. until Wednesday, May 12, at 12 o'clock noon, when the House will further consider S. 2846, to amend certain acts administered by the SEC, and will also consider the following bills:

H. R. 7601, authorizing appropriation to provide for a White House conference on education; and

H. R. 9040, to authorize cooperative research in education.

Committee Meetings

EMERGENCY LOANS

Committee on Agriculture: Ordered reported to the House H. R. 8748, to improve the program of emergency loans. The bill was amended to insert, in lieu of the House text, the language of S. 3245, a similar Senate bill. This language was also amended to fix the date at June 30, 1955, wherein the Secretary of Agriculture would be authorized to make emergency loans for any agricultural purpose, except for refinancing of existing

indebtedness. Amendments to section II were also adopted.

MILITARY-NAVAL PUBLIC WORKS

Committee on Armed Services: Began executive hearings on title II (Navy) of H. R. 8726, the military-naval public works bill. Witnesses testifying were Representative Long (Louisiana); Raymond H. Fogler, Assistant Secretary of the Navy; and Adm. William K. Mendenhall, Office of the Chief of Naval Operations. Also heard Representative Colmer (Mississippi) in connection with his bill, H. R. 8456, to direct the Secretary of the Navy to convey to the city of Gulfport, and to Harrison County, Miss., certain hospital supplies and equipment. Recessed until tomorrow morning.

DISTRICT LEGISLATION

Committee on District of Columbia: The O'Hara subcommittee received testimony today in connection with H. R. 6127, to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and miscellaneous other bills relating to property sales and assessments. Will continue hearings on the same subject Thursday morning.

PHYSICALLY HANDICAPPED

Committee on Education and Labor: The McConnell Subcommittee on Physically Handicapped held informal executive session on future program and agenda. Recessed subject to call of the Chair.

SECRETARY DULLES

Committee on Foreign Affairs: Held executive meeting this afternoon with Secretary of State John Foster Dulles. Recessed until tomorrow morning when it will resume on the foreign operations program in Europe.

GUAM

Committee on Interior and Insular Affairs: Subcommittee on Territories and Insular Possessions approved for reporting to the full committee H. R. 8634, amended, to amend section 22 of the Organic Act of Guam (relating to jury trials, indictments, etc.). A. M. Edwards, Office of Territories, Department of the Interior, testified on the bill.

ARMORED APPAREL-KNIVES

Committee on Interstate and Foreign Commerce: Concluded a hearing on H. R. 5940, to provide a licensing system for armored apparel. Representing the Department of Defense, and speaking in favor of the bill, was Bryce Roe, Office of the General Counsel, Quartermaster General Office (Army). A statement was also inserted for the record by Miles Kennedy, of the American Legion.

Representative Delaney (New York), sponsor of the switch-blade knife bill, testified on that particular subject. Also testifying was Max Landis, representing the

George Schrade Knife Co., Bridgeport, Conn., while a statement on the subject was filed for the record by Charles M. Siegfried, attorney, Schrade-Walden Cutlery Corp., New York City.

VESSEL REGISTRATION, MORTGAGE

Committee on Merchant Marine and Fisheries: Ordered the following bills reported to the House—

H. R. 6276, amended, relating to preferred mortgage charges on certain documented foreign vessels; and

H. R. 8647, amended, regarding provisions to register, or license, a vessel of the United States.

Testimony in favor of H. R. 6276 was received from John C. Prizer, chairman, Maritime Law Association of United States; Arnold W. Knauth, representing the American Bar Association; and Leavenworth Colby, Chief of Admiralty Division, Department of Justice.

KANSAS RIVER

Committee on Public Works: The Subcommittee on Flood Control reviewed the Kansas River and tributaries project today, and received testimony from Representatives Smith, Rees, Scrivner, and Miller, all of Kansas; and Representatives Bolling, Hillelson, and Cole, all of Missouri. The Members introduced as witnesses local farmers, municipal officials, industrialists, newspaper publishers, and representatives of flood-control and conservation groups from their respective districts. Recessed until tomorrow morning.

EDUCATION

Committee on Rules: Granted an open rule providing for I hour of general debate on each of the following bills—

H. R. 9040, to authorize cooperative research in education;

H. R. 7434, to establish a National Advisory Committee on Education; and

H. R. 7601, authorizing appropriation to provide for a White House conference on education.

Representative McConnell (Pennsylvania) spoke on behalf of the three bills under consideration, and the authors of the respective bills spoke on their proposals—Representatives Rhodes (Arizona), H. R. 9040; Frelinghuysen (New Jersey), H. R. 7434; and Holt (California), H. R. 7601.

VETERANS

Committee on Veterans' Affairs: Met in executive session on various matters pending before the committee. No action was taken.

LIFE INSURANCE TAXATION

Committee on Ways and Means: The Subcommittee on Life Insurance Taxation held informal executive session with staff members for discussion of future program and agenda.

TAX-EXEMPT FOUNDATIONS

Special Committee To Investigate Tax-Exempt Foundations: Resumed hearings with Norman Dodd, director of research for the committee, who continued his description of the staff's approach in this public investigation of expenditures by philanthropic and educational foundations. Mr. Dodd was questioned regarding the difference in the nature and scope of the present studies as compared with that of the Cox committee in the 82d Congress.

The principal charge made regarding foundations, according to Mr. Dodd, has been that of extreme favoritism in the making of grants for educational purposes resulting in domination of the field of research (it is frequently alleged) by a rather small and highly knit group of scholars—to their own advantage. The hearings will be continued next Tuesday morning.

COMMITTEE MEETINGS FOR WEDNESDAY, MAY 12

(All meetings are open unless otherwise designated)

Senate

Committee on Appropriations, subcommittee, on H. R. 8680, Interior appropriations, 10 a. m., room F-82, Capitol; subcommittee, on H. R. 8067, State, Justice, Commerce, with outside witnesses, 10 a. m., room F-37, Capitol; subcommittee, executive, on H. R. 8873, Defense, 10 a. m., room F-37, Capitol; Subcommittee on Labor-HEW, on National Institutes of Health, 10 a. m., 155 Senate Office Building.

Committee on Finance, executive, on H. R. 8300, general tax revision, 10 a. m., 312 Senate Office Building.

Committee on Foreign Relations, executive, to hear Secretary Dulles on Geneva Conference, 10:30 a.m., and to hear Ambassador George V. Allen on India at 2 p. m., both in room F-53, Capitol.

Committee on Government Operations, Permanent Subcommittee on Investigations, on subcommittee-Army controversy, 10:30 a. m., 318 Senate Office Building.

Committee on Interior and Insular Affairs, Subcommittee on Public Lands, on S. 2380, 2381, 2382, to amend the Mineral Leasing Act, 10 a.m., 224 Senate Office Building.

Committee on Interstate and Foreign Commerce, executive, on committee business, 10 a.m., room G-16, Capitol.

Committee on the Judiciary, subcommittee, on nominations of Joseph May Swing, California, to be Commissioner of Immigration and Naturalization, and on 4 district judgeships (3 from Pennsylvania and 1 from Georgia), 10 a. m., 424 Senate Office Building; subcommittee, on wiretapping, 10 a. m., 324 Senate Office Building.

Committee on Labor and Public Welfare, Subcommittee on Education, on S. 359, 2601, 2779, school construction bills, 9:30 a.m., room P-38, Capitol.

Committee on Post Office and Civil Service, executive, on postmaster nominations and miscellaneous bills, 10:30 a.m., 135 Senate Office Building.

House

Committee on Agriculture, executive session on farm program, 10 a.m., 1310 New House Office Building.

Joint Committee Meetings

*ATOMIC ENERGY ACT AMENDMENTS

Joint Committee on Atomic Energy: Committee continued hearings on H. R. 8862 and S. 3323, to amend the Atomic Energy Act of 1946, as amended. Testimony was received today from Bennett Boskey, D. C. attorney; Newton I. Steers, president, Atomic Development Mutual Fund, Inc.; and C. W. Hayes, American Patent Law Association. Hearings continue tomorrow.

SUBCOMMITTEE REPORT

Joint Committee on Atomic Energy: Committee met in executive session to receive a report from its Subcommittee on Research and Development on aircraft nuclear propulsion program.

Committee on Armed Services, to resume on H. R. 8726, the military-naval public works bill, executive, 10 a. m., 313 Old House Office Building.

Committee on Banking and Currency, on H. R. 6773, conveyance of certain housing projects to the University of California, 10:39 a. m., 1310 New House Office Building.

Committee on Foreign Affairs, to consider foreign operations program in Europe, executive, 10 a.m., room G-12, Capitol. Officials of State Department and Foreign Operations Administration will testify.

Committee on Government Operations, to resume on H. R. 8753, to amend the Federal Property and Administrative Services Act, relating to Government motor vehicles, 10 a. m., 429 Old House Office Building.

Committee on Interior and Insular Affairs, Subcommittee on Territories on H. R. 8754, to provide for a continuance of civil government for the Trust Territory of the Pacific Islands; and H. R. 8634, to amend section 22 of the Organic Act of Guam.

Committee on Interstate and Foreign Commerce, H. R. 563, 1013, 1250, 3890, 7304, 7324, 8088, and 8160, to prohibit segregation or discrimination in interstate transportation. Time to be equally divided between proponents and opponents of the legislation, 10 a. m., 1334 New House Office Building.

Committee on the Judiciary, Subcommittee No. 5 on private bills, executive, 10 a. m., 327 Old House Office Building.

Subcommittee No. 4 on pending bills, executive, 10 a. m., 346 Old House Office Building.

Committee on Merchant Marine and Fisheries, Allen subcommittee on the operations of the Military Sea Transportation Service, 10 a. m., 219 Old House Office Building.

Committee on Post Office and Civil Service, to resume execu-

Committee on Post Office and Civil Service, to resume executive consideration of Federal and postal employee pay bills, 10 a.m., 213 Old House Office Building.

Committee on Public Works, the Subsommittee on Flood Control will consider the Osage River and tributaries, Missouri and Kansas; Charitan River, Iowa and Missouri; and the Upper Iowa River projects, 10 a. m., 1302 New House Office Building.

Committee on Veterans' Affairs, executive on compensation and pension bills, 10:15 a.m., 356 Old House Office Building.

Joint Committees

Joint Committee on Atomic Energy, on H. R. 8862 and S. 3323, to amend the Atomic Energy Act of 1946, 10 a. m. and 2 p. m., room P-63, Capitol.





CONGRESSIONAL PROCEEDINGS

EREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only)

Issued For actions of Hay 14, 1954 May 13, 1954

83rd-2nd, No. 88

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HIGHLIGHTS: Senate passed emergency farm loans bill. Office appropriation bill. Senate recommitted bill to expedite ICC rate decisions. Senate made surplus-fish bill its unfinished business. House subcommittee voted to report bill to increase excess-tobacco penalty.

Senate passed Treasury-Post

- 1. FARM LOANS. Passed with amendments S. 3245, to authorize the Secretary of Agriculture to use \$15,000,000 of the Disaster Loan Revolving Fund for emergency loans to farmers and stockmen until Dec. 31, 1954. Agreed to an amendment by Sen. Welker to revise Sec. 2 so as to make loans available to individuals or partnerships actively engaged in farm or ranch operations, limit individual loans to \$15,000, limit the total debt of a borrower under this act to \$20,000, authorize the Secretary to determine interest rates and other terms and conditions, and require that loans be secured by personal obligation and available security. (pp. 6185-6.)
- 2. TREASURY-POST OFFICE APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 7893. Senate conferees were appointed. (pp. 6163-70, 6174-85.)
- 3. TRANSPORTATION. Recommitted, 39 to 37, S. 1461, to expedite ICC action upon applications of certain common carriers for rate increases (pp. 6152-63).
- 4. PUBLIC LAMDS. The Interior and Insular Affairs Committee reported without amendment H. R. 6186, granting preference rights to users of withdrawn public lands for grazing purposes when the lands are restored from the withdrawal (S. Rept. 1329), and with amendments H. R. 2512, to extend the privilege of buying certain public lands to business associations, corporations, States, or other governmental subdivisions for home and other sites (S. Rept. 1330) (p. 6148).
- 5. CIVIL DEFENSE. The Armed Services Committee reported without amendment H. R. 7308, to repeal Sec. 307 of the Federal Civil Defense Act of 1950, which provides for termination of title III (emergency authority) on June 30, 1954 (5. Rept. 1334) (p. 6148).

- 6. FISHERY PRODUCTS. S. 2802, to earmark Sec. 32 funds for education, publicity, and research in connection with fishery products, was made the unfinished business (p. 6187).
- 7. GRAIN. Sen. Carlson inserted various resolutions of the Kansas Grain and Feed Dealers Association (p. 6147).
- 8. VIRGIN ISLANDS. S. 3378, as reported Apr. 29, would revise the Organic Act of the Virgin Islands (S. Rept. 1271). Sec. 30 of the bill amends the Animal Quarantine Act so that cattle which have been infested with or exposed to ticks, but which are now free from them, may be admitted into the Virgin Islands, under such regulations as the Secretary of Agriculture may prescribe. Sec. 31 amends the statute pertaining to poultry quarantine so as to provide that the Secretary of Agriculture cannot issue regulations or take measures with respect to the introduction of live poultry into the Virgin Islands.

HOUSE

- 9. TOBACCO MARKETING. A subcommittee of the Agriculture Committee voted to report to the full Committee H. R. 8135, to increase the penalty on tobacco marketed in excess of marketing quotas to 50% (now 40%) of the previous year's average price (p. D525).
- 10. EDUCATION. Passed, 179 to 157, with amendments H. R. 7134, to establish a National Advisory Committee on Education (pp. 6190-201).
- 11. TRANSPORTATION. House conferees were appointed on H. R. 2236, to provide for a commission to regulate public transportation in the D. C. area (p. 6202). Senate conferees have not been appointed.
- 12. ADJOURNED until Mon., May 17 (p. 6210). Legislative program for next week, as announced by Majority Leader Halleck: Mon., Consent Calendar; Tues., Private Calendar; and balance of week, various bills (not agricultural) (p. 6201).

BILLS INTRODUCED

- 13. EDUCATION. S. 3450, by Sen. Clements (for Sen. Burke), to extend for 2 additional years the program of assistance for school construction in Federally affected areas; to Labor and Public Welfare Committee (p. 6148).
- 14. PERSONNEL. H. R. 9133, by Rep. Becker, "to amend the Classification Act"; to Post Office and Civil Service Committee (p. 6210). Remarks of author (p.A3559). by Rep. Phillips,
- 15. SURPLUS COMPODITIES. H. R. 9141, to encourage the disposal of surpluses in foreign countries; to Agriculture Committee (p. 6211).

COMMITTEE HEARINGS RELEASED BY GPO

- 16. HOUSING. S. 2889, S. 2938, and S. 2949, proposed Housing Act of 1954 and amendment for smoke elimination and air pollution prevention. Part 2. S. Banking and Currency Committee.
- 17. EDUCATION. S. 2723, S. 2724, S. 2856, President's recommendations relating to education. S. Labor and Public Welfare Committee.

The amendments were ordered to be engrossed and the bill to be read a third

The bill (H. R. 7893) was read the

third time, and passed.

Mr. BRIDGES. Mr. President, I move that the Senate insist upon its amendments, requests a conference with the House of Representatives thereon, and that conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. Bridges, Mr. McCarthy, Mr. Saltonstall, Mr. CARLSON, Mr. KILGORE, Mr. MAYBANK, and Mr. McClellan conferees on the part of

the Senate.

NATURALIZATION OF FORMER CITI-ZENS OF THE UNITED STATES

Mr. KNOWLAND. Mr. President, for the information of the Senate, it is desired to have the Senate consider two bills, both of which I believe to be noncontroversial, and both of which were discussed with the minority leader, and at least one of which had already passed the Senate by unanimous consent andwas reconsidered only a few days ago, as Senators may recall, because I had not been notified in advance, and there is in effect in the Senate the practice of giving at least 1 day's notice. The bill was brought up by the senior Senator from Nevada [Mr. McCarran] during the absence of both the minority and the majority leaders. I believe the Senator from Louisiana [Mr. Long] was acting minority leader at the time, and the Senator from Maryland [Mr. BUTLER] was acting in my place at the time. was generally agreed that it would be agreeable to put the bill back on the calendar so that there would be 1 day's notice. The Senator from Utah [Mr. WATKINS], the author of the bill, is

Mr. President, I move that the Senate proceed to consider calendar number 1172, Senate bill 1303, a bill to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship by voting in a political election or plebiscite held in occupied Japan.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 1303), which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the

enacting clause and insert:

That a person who has jost United States citizenship solely by reason of having voted in any political election or plebescite held in Japan between September 2, 1945, and April 27, 1952, inclusive and who has not, subsequent to such voting, committed any act which, had he remained a citizen, would have operated to expatriate him, and is not otherwise disqualified from becoming a citizen by reason of section 313 or 314, or the third sentence of section 318 of the Immi-gration and Nationality Act, may be naturalized by taking, prior to 2 years after the date of the enactment of this act, before any naturalization court specified in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the applicable oath prescribed by section 337 of such act. Certified copies of such

oath shall be sent by such court or such diplomatic or consular officer to the Department of State and to the Department of Justice. Such oath of allegiance shall be entered in the records of the appropriate naturalization court, embassy, legation, or consulate, and upon demand, a certified copy of the proceedings, including a copy of the oath administered, under the seal of the naturalization court, embassy, legation, or consulate, shail be delivered to such person at a cost not exceeding \$5, which certified copy shail be evidence of the facts stated therein before any court of record or judiciai tribunai and in any department or agency of the Government of the United States. Any such person shail have, from and after naturalization under this act, the same citizenship status as that which existed immediately prior to its ioss: Provided, That no such person shail be eligible to take the oath prescribed by section 337 of the Immigra-tion and Nationality Act, unless he shall first take an oath before any naturalization court specified in subsection (a) of section 310 the Immigration and Nationality Act, or before any dipiomatic or consular officer of the United States abroad, that he has done nothing to promote the cause of communism. Naturalization procured under this act shall be subject to revocation as provided in section 340 of the Immigration and Nationality Act, and subsection (f) of that section shali apply to any person claiming United States citizenship through the naturalization of an individual under this act.

Mr. KNOWLAND. Mr. President, the Senator from Utah would like to make a

brief explanation of the bill.

Mr. WATKINS. Mr. President, the purpose of the bill, as amended, is to enable persons who lost their United States citizenship by reason of voting in a political election or plebiscite held in Japan between September 2, 1945, and April 22, 1952, the period of occupation by American military personnel, to regain their citizenship. The same type of bill was passed regarding citizens who voted in the Italian election.

The Japanese involved are American citizens who happened to be in Japan, and our military authorities urged them during that period to vote. An election was held in which Communists were running for office, and the persons in

question voted.

We have restored citizenship to Italian-Americans who voted in Italy, and the bill in question is for a similar purpose, and involves the same principles.

Mr. STENNIS. Mr. President, will the

Senator yield?

Mr. WATKINS. I yield.

Mr. STENNIS. How many persons are involved in the bill?

Mr. WATKINS. I am informed that about 2,000 persons are involved.

Mr. STENNIS. Are they living in this country now?

Mr. WATKINS. No; I think most of them are still in Japan. They have not been able to come back to this country because they lost their citizenship by voting in the election referred to. Otherwise, they could have returned.

Mr. STENNIS. I understood the Senator to say that some of the persons in question are already in this country. Am I correct in my understanding that such persons are not in this country because they voted in the election to which the Senator from Utalı referred?

Mr. WATKINS. The Senator is correct.

Were they formerly Mr. STENNIS. citizens of the United States?

Mr. WATKINS. Yes. The only obstacle that has interfered with their returning to the United States has been their voting in the election to which I called attention.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WATKINS. Lyield to the Senator

from South Carolina.

Mr. JOHNSTON of South Carolina. The bill was considered by the Committee on the Judiciary, and, as I remember, both the Democratic and the Republican Members were unanimously in favor of it.

PRESIDING OFFICER. The question is on agreeing to the amend-

ment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMERGENCY LOAN AUTHORITY

Mr. KNOWLAND. Mr. President. there is one additional bill about which I spoke to the minority leader, Calendar No. 1280, Senate bill 3245. I move that the Senate proceed to the consideration of that bill.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 3245) to amend the act of April 6. 1949, as amended, by the act of July 14, 1953, to improve the program of emergency loans, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 3, after the word "That", to strike out "section 2 (a) of the act of April 6, 1949 (63 Stat. 43), as amended, is further amended by adding at the end of the first sentence of said subsection the following: "Until December 31, 1954, the Secretary is also," and to insert "until December 31, 1954, the Secretary is"; on page 2, line 4, after the word "program", to insert "or under the act of April 6, 1949,"; in line 5, after the amendment just above stated, to strike out "under other provisions of this act,"; in line 6, after the word "responsi-ble," to strike out "sources." and insert "sources"; after line 6, to insert a new section, as follows:

SEC. 2. Loans under this act shall (1) be made at such rates of interest and on such terms and conditions as the Secretary shail prescribe for such area or areas, and (2) be secured by the personal obligation and available security of the producer or producers, and in the case of loans to corporations or other business organizations, by the personal obligation and available security of each person holding as much as 10 percent of the stock or other interest in the corporation or organization.

And after line 15, to insert a new section, as follows:

SEC. 3. The Secretary may utilize the re-volving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans

made under this act shall be added to and become a part of the said revolving fund.

So as to make the bill read:

Be it enacted, etc., That until December 31, 1954, the Sccretary is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the act of April 6, 1949, or other responsible sources.

SEC. 2. Loans under this act shall (1) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas, and (2) be secured by the personal obligation and available security of the producer or producers, and in the case of loans to corporations or other business organizations, by the personal obligation and available security of each person holding as much as 10 percent of the stock or other interest in the corporation or organization.

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Mr. WELKER. Mr. President, I wish to make a brief statement at this time by way of explanation of S. 3245, a bill to provide emergency loans to farmers and stockmen.

The history of this bill, so far as the junior Senator from Idaho is aware, is quite simple. Farmers in many areas lost heavily on their 1953 crop, and the same can be said of stockmen. Banks have been unable to provide these people with adequate credit for production, subsistence, refinancing, and other basic purposes. The Federal Government has been called upon to provide this credit, principally through the Farmers Home Administration.

In my own State of Idaho, the Farmers' Home Administration and other loan agencies have expended a total of approximately \$6 million in farm loans. Agriculture Department figures estimate that in my State alone at least another \$2 million is urgently needed, if many small family-unit farms and veteran farmers just getting a start are not to be severely hurt. The Farmers' Home Administration has exhausted its loan funds totally.

Conferences with officials of the Agriculture Department credit services resulted in the submission of a bill for consideration of the Senate Committee on Agriculture and Forestry. Hearings were held on this bill, S. 3245, and a definite need was established for what it provided. In plain language, all it does is permit the Secretary of Agriculture to use money from the disaster loan revolving fund for economic distress loans to farmers. The Secretary would be authorized to make loans in any areas where he found a need for agricultural credit not capable of being met by private banking institutions, and in a total

amount not to exceed \$15 million. States such as Colorado and Maine and border areas in some other adjoining States must be included along with Idaho.

Mr. STENNIS. Mr. President, will the

Senator vield?

Mr. WELKER. I yield. Mr. STENNIS. Did the Senator say the bill applies only to disaster loans?

Mr. WELKER. No. It would allocate \$15 million from the disaster fund to emergency relief of those who cannot under any circumstances obtain credit from a bank and who in many States are destitute.

I should like to say that in the event a man desires more money, under no circumstances can he borrow in excess of \$20,000. The original top limit was \$15,000, and I can assure my colleagues that in my State, in the State of Colorado, and in the other States with which I am familiar, that amount will be adequate.

STENNIS. The Senator has Mr. named some States, - The bill applies to

the entire country, does it not?

Mr. WELKER. Yes, it does, because the fund of the Farmers Home Administration has been exhausted. Our aim is to enable veterans who are farmers, who served their country, who have not established credit, as the old-time farmer has, to get a start and prosper.

Mr. President, that is practically all I have to say about the bill. Senators know that the Secretary will prescribe the rate of interest and the terms and conditions. All loans must be secured. Because it was felt that the original

wording of the bill was somewhat broad and lacking in specific definition of the limits on any one loan, I prepared an amendment which would remove objections on that score. The amendment would do the following:

First. Make loans available only to individuals or partnerships actively engaged in the operation of farms or . ranches.

Second. It would set a limit of \$15 million as the total.

Third. It would set a limit of \$20,000 in total indebtedness in the case of any one borrower.

Fourth. All loans would be made at rates of interest and on such terms and conditions as the Secretary shall prescribe for such areas.

Fifth. All loans must be secured by the personal obligation and available security of the borrower.

Because of the lateness of the hour, and the need of several thousand farmers to get credit without delay, I urge the Senate to give its favorable consideration to S. 3245.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide emergency credit."

Mr. WELKER subsequently said: Mr. President, inadvertently, in trying to expedite action on Senate bill 3245, I omitted to have the Senate act on the amendment I had discussed. Therefore, I now ask unanimous consent that the vote by which the bill was engrossed for a third reading, read the third time, and passed, be reconsidered; and if that is done, I shall submit the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho? Without objection, the vote by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, is reconsidered.

Mr. WELKER. Mr. President, I now

submit my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 2, it is proposed to strike out lines 7 through 15, and insert in lieu thereof the following:

SEC. 2. Loans under this act shall (1) be made only to individuals or partnerships who are actively engaged in the operation of farms or ranches; (2) not exceed \$15,000 in the case of any one loan; (3) not be made to any one borrower so as to increase the total indebtedness of such borrower under this act to an amount in excess of \$20,000 (including principal and accrued interest); (4) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (5) be secured by the personal obliga-tion and available security of the producer or producers.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. WELKER].

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3245) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That until December 31, 1954, the Secretary is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the act of April 6, 1949, or other responsible sources.

SEC. 2. Loans under this act shall (1) made only to individuals or partnerships who are actively engaged in the operation of farms or ranches; (2) not exceed \$15,000 in the case of any one loan; (3) not be made to any one borrower so as to increase the total indebtedness of such borrower under this act to an amount in excess of \$20,000 (including principal and accrued interest); (4) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (5) be secured by the personal obligation and available security of the producer or producers.

SEC. 3. The Secretary may utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans made under this act shall be added to and become a part of the said revolving fund.





83D CONGRESS 2D Session

S. 3245

IN THE HOUSE OF REPRESENTATIVES

May 17, 1954
Referred to the Committee on Agriculture

AN ACT

To provide emergency credit.

Be it enacted by the Senate and House of Representa-1 tives of the United States of America in Congress assembled, 2 That until December 31, 1954, the Secretary is authorized 3 to make emergency loans for any agricultural purposes, ex-4 cept for refinancing of existing indebtedness, aggregating 5 not to exceed \$15,000,000 to farmers and stockmen in any 6 area or areas where the Secretary determines that there is a 7 need for such credit which cannot be met for a temporary 8 period from commercial banks, cooperative lending agancies, 9 the Farmers Home Administration under its regular pro-10 grams or under the Act of April 6, 1949, or other responsible 11 12 sources.

- 1 Sec. 2. Loans under this Act shall (1) be made only
- 2 to individuals or partnerships who are actively engaged in
- 3 the operation of farms or ranches; (2) not exceed \$15,000
- 4 in the case of any one loan; (3) not be made to any one
- 5 borrower so as to increase the total indebtedness of such
- 6 borrower under this Act to an amount in excess of \$20,000
- 7 (including principal and accrued interest); (4) be made at
- 8 such rates of interest and on such terms and conditions as the
- 9 Secretary shall prescribe for such area or areas; and (5) be
- 10 secured by the personal obligation and available security of
- 11 the producer or producers.
- SEC. 3. The Secretary may utilize the revolving fund
- 13 created by section 84 of the Farm Credit Act of 1933, as
- 14 amended (12 U.S.C. 1148a), for making loans under this
- 15 Act, and for administrative expenses in connection with such
- 16 loans. Sums received by the Secretary from the liquidation
- 17 of loans made under this Act shall be added to and become a
- 18 part of the said revolving fund.

Passed the Senate May 13, 1954.

Attest:

J. MARK TRICE,

Secretary.



AN ACT

To provide emergency credit.

Referred to the Committee on Agriculture May 17, 1954

Digitof CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only) Issued For actions of

May 13, 1954 May 17, 1954

83rd-2nd, No. 90

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STHATE

- 1. WATER FACILITIES LOAMS. The Agriculture and Forestry Committee reported with amendments S. 3137, to increase the limit on individual loans under the later Facilities Act and to make the Act applicable to the entire country (S. Rept. 1371)(p. 6258). Sen. Aiken gave a list of additional cosponsors of the bill (pp. 6258-9).
- 2. FORESTRY. The Agriculture and Forestry Committee reported without amendment S. 2786, granting the consent and approval of Congress to the Southeastern Interstate Forest Fire Protection Compact (S. Rept. 1372) (p. 6258).
- 3. CCC NOLINATION. The Agriculture and Forestry Committee reported the nomination of Robert L. Farrington to be a member of the Board of Directors of the Commodit Credit Corporation (p. 6271).
- 4. HOLIDAY. The Judiciary Committee reported without amendment H. R. 7786, to change the name of Armistice Day to "Veterans' Day!" (S. Rept. 1359)(p. 6258).
- 5. SOIL CONSERVATION. Passed without amendment H. R. 7057, to authorize the Secretaries of Agriculture and Interior to transfer, exchange, and dispose of land in the Eden project, Wyo. (p. 6282). This bill will now be sent to the President.
- 6. PUBLIC LANDS. Passed without amendment H. R. 6186, to authorize the Secretary of the Interior to grant a preference right to users of withdrawn public lands for grazing purposes when the lands are restored from the withdrawal (p. 6286). This bill will now be sent to the President.

- H. R. 2512, to modernize the Small Tract Act, was placed at the foot of the calendar at the request of Sen. Smathers (p. 6287).
- 7. FLAMMABLE FABRICS. Passed without amendment S. 3379, to amend the Flammable Fabrics Act so as to exempt fabrics and wearing apparel which are not highly flammable (pp. 6284-5).
- 8. RECIANATION. Passed with amendments S. 118, to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Okla. (pp. 6279-82).
- 9. CIVIL DEFENSE. Passed with amendment H. R. 7308, which (as amended) would extend through June 30, 1958, the emergency powers of the Administrator of Civil Defense (p. 6290).
- 10. VIRGIN ISLANDS. Passed with amendments S. 3378, to revise the Organic Act of the Virgin Islands (pp. 6292-7). The bill includes amendments to the animal and poultry quarantine laws (see Digest 88). H. R. 5181, as reported in the House on Lay 13, contains similar amendments.
- 11. EDUÇAȚION. Sen. Wiley spoke in favor of adequate funds to carry out the George-Barden Act regarding vocational education in agriculture; etc. (p. 6267).
- 12. BANKING AMD CURRENCY. Sen. Bush defended the Federal Reserve Board against recent criticism by Rep. Patman (pp. 6267-8).
- 13. ELECTRIFICATION. S. 3090, to authorize transmission and disposition of electric energy generated at Falcon Dam, was discussed and passed over at the request of Sen. Morse (p. 6292).

HOUSE

14. FARM LOAMS. The Agriculture Committee reported with amendment H. R. 8748, to eliminate the requirement that economic disaster loans be restricted to areas designated by the President, and make additional funds available for economic emergency loans (H. Rept. 1604) (p. 6348).

Received a proposed bill from FCA to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated

debentures; to Agriculture Committee (p. 6348).

15. PUBLIC LANDS. Received the conference report on H. R. 1815, to amend the Recreation Act of June 14, 1926, so as to broaden the Interior Department's authority to make lands available for public purposes to States and local governments, or to nonprofit organizations intending to use such lands for public purposes (H. Rept. 1605) (pp. 6316-7).

Passed as reported H. R. 7111, to authorize the grant or retrocession to a State of concurrent jurisdiction over Federal lands as may be necessary for

roads and other rights-of-way (pp. 6321-2).

16, RECLAMATION. A subcommittee approved for reporting to the Interior and Insular Affairs Committee H. R. 236, authorizing construction of the Fryingpan-Arkansas project, Colo., and H. R. 8520, to provide for construction by Interior of the Ainsworth, Lavaca Flats, Mirage Flats, Extension, and O'Neill irrigation developments as units of the Missouri River Basin project (p. D539).

PROVIDING EMERGENCY CREDIT

May 17, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Hope, from the Committee on Agriculture, submitted the following

REPORT

[To accompany H. R. 8748]

The Committee on Agriculture, to whom was referred the bill (H. R. 8748) to amend the act of April 6, 1949, as amended by the act of July 14, 1953, to improve the program of emergency loans, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

Until June 30, 1955, the Secretary of Agriculture is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15,000,000 to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the Act of April 6, 1949, or other responsible sources.

Sec. 2. Loans under this Act shall (1) be made only to individuals or partnerships actively engaged in the operation of farms or ranches and shall not exceed \$15,000 in the case of any one learn and not to exceed \$20,000 to any one borrower.

\$15,000 in the case of any one loan and not to exceed \$20,000 to any one borrower, (2) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas, and (3) be secured by the personal

obligation and available security of the producer or producers.

Sec. 3. The Secretary may utilize the revolving fund created by Section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this Act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans made under this Act shall be added to and become a part of the said revolving fund. Act shall be added to and become a part of the said revolving fund.

Amend the title so as to read: Albill to provide emergency credit.

STATEMENT

H. R. 8748 as amended by your committee would authorize the Secretary of Agriculture to make emergency loans to farmers and stockmen, aggregating not to exceed \$15 million, out of the disaster loan revolving fund, in any area where the Secretary finds need for agricultural credit which could not otherwise be met.

The legislation is prompted by the credit requirements of agricultural areas where farmers have experienced economic disaster due to a sharp decline in farm income. Such emergency credit would be extended only where it is not available from private sources or from

Government agencies under authority heretofore granted.

As presented to the House, with the committee amendments, H. R. 8748 specifically provides authority and stipulates safeguards appropriate to the emergency and temporary nature of the legislation, as follows:

Section 1 authorizes the Secretary until June 30, 1955, to make emergency loans for any agricultural purpose, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million, to farmers and stockmen in any area where the Secretary determines there is need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs or under

the act of April 6, 1949, or other responsible sources.

Section 2 stipulates that such loans shall (1) be made only to individuals or partnerships actively engaged in the operation of farms and ranches and that such loans shall not exceed \$15,000 in the case of any one loan and not to exceed \$20,000 to any one borrower; (2) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (3) be secured by the personal obligation and available security of the producer or producers.

Section 3 permits the Secretary to utilize not to exceed \$15 million of the revolving fund created by section 84 of the Farm Credit Act of 1933 in making loans under this bill, plus such additional amounts as may be necessary for administrative expenses in connection with such loans. It is not contemplated that any additional funds will be needed

to make such loans.

The act of April 6, 1949, dissolved the Regional Agricultural Credit Corporation of Washington, D. C., and transferred its assets to the Secretary of Agriculture for use as a revolving fund to make agricultural production disaster loans and other special type loans. On July 14, 1953, the act was amended to authorize loans to farmers and stockmen in any area found by the President to have suffered a major natural disaster under the provisions of Public Law 875, 81st Congress. H. R. 8748 would enable the Secretary to consider the need for emergency agricultural credit in any area where disaster occurs without the requirement that the area must previously have been designated by the President, under Public Law 875, as being a major disaster area because of some natural catastrophe such as drought or flood.

Under present law, such loans may be made only in areas where serious production losses have resulted from some major natural disaster. The loans are provided under section 2 (a) of the act of

April 6, 1949, as amended.

There are areas in the country where farmers generally have experienced serious economic disaster, because of a sharp decline in farm income due to price and crop factors not related to a natural disaster, resulting in a substantial need for emergency credit not available from other sources. These areas cannot be declared disaster areas under Public Law 875 since there has been no natural disaster such as drought or flood.

H. R. 8748 is intended to meet such emergency credit requirements for a temporary period, in areas designated by the Secretary upon a

showing that the need exists.

Your committee recommends passage of this legislation.

DEPARTMENTAL VIEWS

A copy of the letter from the Acting Secretary of Agriculture transmitting this legislation for the consideration of the Congress follows:

DEPARTMENT OF AGRICULTURE, Washington 25, D. C., April 2, 1954.

Hon. Joseph W. Martin, Jr., Speaker, House of Representatives.

Dear Mr. Speaker: There is submitted herewith for the consideration of the Congress a proposed bill which would authorize the Secretary of Agriculture to make emergency loans to farmers and stockmen, aggregating not to exceed \$15 million, out of the disaster loan revolving fund, in any area where the Secretary

finds need for agricultural credit which could not otherwise be met.

The act of April 6, 1949 (63 Stat. 43), dissolved the Regional Agricultural Credit Corporation of Washington, D. C., and transferred its assets to the Secretary of Agriculture for liquidation and use as a revolving fund, for the making of agricultural production disaster loans and for other special type loans. On July 14, 1953, the act was amended to authorize loans to farmers and stockmen in any area found by the President to have suffered a major disaster under the provisions of Public Law 875, 81st Congress (42 U. S. C. 1855), and found by the Secretary of Agriculture to have suffered an economic disaster causing a need for agricultural credit which could not be met for a temporary period from commercial banks, ecoperative lending agencies, the Farmers' Home Administration under its regular

programs, or other responsible sources.

Under the language of the proposed bill, the Secretary would be authorized to make loans from the revolving fund for the period ending December 31, 1954, to farmers and stockmen for any agricultural purpose, except for refinancing existing indebtedness, in any area where the Secretary determines there is a need for agricultural credit that cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs, under other provisions of the act of April 6, 1949, as amended, or other responsible sources. Such loans would be made at interest rates and on such terms as may be determined by the Secretary for designated areas. If enacted, the amended authority will enable the Secretary to consider the need for emergency agricultural credit in any area where such disasters occur without the requirement that such areas must have been previously designated by the President under Public Law 875 as being a major disaster area because of some natural catastrophe such as drought or flood. Under the present law, economic disaster loans may be made only in areas where serious production losses have resulted from some major disaster. In areas that are designated by the President under Public Law 875, emergency credit needs of farmers generally can be met through production disaster loans now authorized under section 2 (a) of Public Law 38, as amended. Thus, economic disaster loans authorized by section 2 (b) are presently limited to farmers in areas in which production disaster loans usually can be authorized.

The need for this additional lending authority is demonstrated by the situation of the farmers in Aroostock County, Maine, who are now encountering a serious economic disaster because of the sharp decline in the price of potatoes during 1953 which will create a substantial need for emergency credit not available from established sources and not available from this Department under present restricted authority. Since the area has not been designated by the President pursuant to Public Law 875 and since there has been no major production loss, assistance

could not now be authorized either through production disaster loans or economic disaster loans. Similar situations exist in Idaho and parts of Colorado. Other situations undoubtedly will develop in other segments of our agricultural industry

in other scattered areas not eligible for production disaster loans.

It is contemplated that the funds currently in the disaster loan revolving fund would be used to make loans under the proposed authorization. It is not contemplated that any additional funds will be needed to make such loans. The necessity of any further appropriations to the revolving fund is contingent upon the other calls on the disaster loan fund during the coming crop year.

The Department recommends the enactment of this proposed legislation.

The Bureau of the Budget advises that there is no objection to the submission of this proposed legislation to the Congress for its consideration.

Sincerely yours,

TRUE D. MORSE, Acting Secretary.

Union Calendar No. 588

83D CONGRESS 2D SESSION

H. R. 8748

[Report No. 1604]

IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1954

Mr. Hope introduced the following bill; which was referred to the Committee on Agriculture

May 17, 1954

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That section 2 (a) of the Act of April 6, 1949 (63 Stat.
- 4 43), as amended, is further amended by adding at the end
- 5 of the first sentence of said subsection the following:
- 6 "Until December 31, 1954, the Secretary is also au-
- 7 thorized to make emergency loans for any agricultural
- 8 purposes, except for refinancing of existing indebtedness,
- 9 aggregating not to exceed \$15,000,000 to farmers and stock-
- 10 men in any area or areas where the Secretary determines that

- 1 there is a need for such credit which cannot be met for a
- 2 temporary period from commercial banks, cooperative lend-
- 3 ing agencies, the Farmers' Home Administration under its
- 4 regular programs, under other provisions of this Act, or
- 5 other responsible sources."
- 6 That, until June 30, 1955, the Secretary of Agricul-
- 7 ture is authorized to make emergency loans for any agricul-
- 8 tural purposes, except for refinancing of existing indebtedness,
- 9 aggregating not to exceed \$15,000,000, to farmers and stock-
- 10 men in any area or areas where the Secretary determines
- 11 that there is a need for such credit which cannot be met
- 12 for a temporary period from commercial banks, coopera-
- 13 tive lending agencies, the Farmers' Home Administration
- 14 under its regular programs or under the Act of April 6,
- 15 1949, or other responsible sources.
- 16 Sec. 2. Loans under this Act shall (1) be made only
- 17 to individuals or partnerships actively engaged in the opera-
- 18 tion of farms or ranches and shall not exceed \$15,000 in
- 19 the case of any one loan and not to exceed \$20,000 to
- 20 any one borrower; (2) be made at such rates of interest
- 21 and on such terms and conditions as the Secretary shall pre-
- scribe for such area or areas; and (3) be secured by the per-
- 23 sonal obligation and available security of the producer or
- 24 producers.
- Sec. 3. The Secretary may utilize the revolving fund

- 1 created by section 84 of the Farm Credit Act of 1933, as
- 2 amended (12 U.S. C. 1148a), for making loans under this
- 3 Act, and for administrative expenses in connection with such
- 4 loans. Sums received by the Secretary from the liquida-
- 5 tion of loans made under this Act shall be added to and
- 6 become a part of the said revolving fund.

Amend the title so as to read: "A bill to provide emergency credit."

83D CONGRESS 2D SESSION

H. R. 8748

[Report No. 1604]

A BILL

To amend the Act of April 6, 1949, as amended by the Act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

By Mr. Hope

APRIL 7, 1954

17

Referred to the Committee on Agriculture

May 17, 1954

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed





Digutof CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only) For actions of June 8, 1954
83rd-2nd, No. 104

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	employees. Sen. Butler, Ne	br., commended R	EA progress	under this Administration,
	7	SENAT	ш	

- 1. RESEARCH. Passed without amendment S. 2367, authorizing USDA research appropriations to be available for accomplishing their purposes by contract (this authority is now limited to research under the Research and Marketing Act)(p.7255).
- 2. COMPODITY EMCHANGES. Passed without amendment S. 3207, to amend the Commodity Exchange Act so as to authorize the Secretary to fix reasonable fees for registrations, renewals, and copies of registration certificates issued to futures commission merchants and floor brokers (present law authorizes a maximum fee of \$10)(p. 7255).
- 3. PEANUT QUOTAS. Passed without amendment S. 2715, to eliminate the exaction of liquidated damages under peanut price support programs in addition to penalties under the marketing quota regulations in those cases where a farmer fails to comply with an undertaking not to pick and thresh peanuts from overplanted acreage (p. 7255).
- 4. LAND TRANSFER. Passed without amendment H. R. 107, to provide for transfer of the site of the original Fort Buford to N. Dak. (p. 7254). This bill will now be sent to the President.
- 5. STATISTICS. Passed without amendment H. R. 8487, to authorize the censuses of manufactures, mineral industries, and other businesses to be taken in 1955 for 1954 (instead of being taken in 1954 for 1953)(pp. 7249-50). This bill will now be sent to the President.

- 6. FARM PROGRAM. The "Daily Digest" states: "Committee on Agriculture and Forestry ...met in executive session for the consideration of S. 3052, ...following which it was announced that the first problem to be worked out was that concerning diverted acreage. Committee will meet again tomorrow jointly with the Appropriations Subcommittee on Agriculture." (p. D636.)
- 7. FARM LOANS. Received from FCA a proposed bill to authorize production credit associations to pay dividends on class A stock without paying dividends on class B stock, to pledge securities representing investments of their guaranty funds, and to pay dividends on class A or class C stock without regard to the provisions of section 22 of the Farm Credit Act of 1933, and to authorize production credit corporations to invest in class C stock of production credit associations without affecting the tax status of such associations; to Agriculture and Forestry Committee (pp. 7245-6). Also received in the House; to Agriculture Committee (p. 7369).
- 8. WATER COMSERVATION. Passed as reported S. 3336, to include Nevada and Utah among the States which are authorized to negotiate a compact providing for apportionment of Columbia River waters (p. 7254).
- 9. ELECTRIFICATION. Sen. Horse inserted his speech, "Oregon's Stake in Cheap Power" (pp. 7305-9).
- 10. INTERIOR DEPARTMENT APPROPRIATION BILL, 1955. Passed as reported this bill, H. R. 8680 (pp. 7265-301). Senate conferees were appointed (p. 7301). Following are excerpts from the committee report on this bill:

Limitations. "The committee recommends the deletion of the limitations inserted by the House on the amounts that may be expended for personal services and for other types of expenses. It is the view of the committee that limitations should be resorted to only when there has been a disregard of the intent of the Congress... such limitations are costly to administer and are likely to impair efficient operations..."

Range management. While the committee is in accord generally, with the view of the House committee that reseeding is a highly desirable method of weed control, no specific amount has been earmarked within the amount allowed for this purpose.

Reclamation. "Development farms.—The committee recommends that the development-farm program be continued, and has included funds in the bill for that purpose. The committee feels that this program is necessary on new irrigation projects, in order that the local people will have some idea of the complexities involved in irrigation farming. There is, however, some doubt in the mind of the committee as to whether this is a proper activity for the Burea of Reclamation. The committee urges the Secretary of the Interior, the Secretary of Agriculture, and the Director of the Bureau of the Budget to give this matter their immediate attention, with the view in mind of presenting a sound development farm program in the budget for fiscal year 1956."

The committee approved a provision to transfer items for <u>legal</u> expense from the various bureaus and agencies to the Solicitor's Office.

HOUSE

^{11.} FARM LOANS. Passed as reported H. R. 8748, to authorize the Secretary to make emergency loans to farmers and stockmen, aggregating not to exceed \$15 million,

out of the disaster loan revolving fund, in any area where the Secretary finds need for agricultural credit which could not otherwise be met, until June 30, 1955 (p. 7327). The Senate has passed S. 3245 on the same subject, but the language is somewhat differents.

- 12. TOBACCO QUOTAS. Passed with amendment S. 3050, to increase (from 40% to 50% of the average market price) the penalty for marketing of tobacco in excess of marketing quotas. Agreed to an amendment by Rep. Deane to make the bill effective Dec. I instead of Oct. 1. (p. 7331.)
- 13. LABOR-HEW APPROPRIATION BILL, 1955. The Appropriations Committee reported this bill, H. R. 9447, without amendment on June 4, while the House was in adjournment (p. 7370).
- 14. INDEPENDENT OFFICES APPROPRIATION BILL, 1955. House conferees were appointed on this bill, H. R. 8583 (p. 7320). Senate conferees have been appointed.
- 15. PERSONNEL. Received the Post Office and Civil Service Committee's reports on appeals and grievance procedures in the Federal Government (H. Rept. 1759) and the first intermediate report by the Subcommittee on Manpower Utilization (H. Rept. 1760) (p. 7370).

Rep. Moss spoke in favor of a payraise for Federal classified employees "at least equal to the 7 percent raise granted Post Office Department employees in the bill already reported out by the House Post Office and Civil Service Committee" (p. 7343).

- 16. VETERANS! BENEFITS. Passed without amendment S. 1823, to give to veterans of the Korean conflict the same credit for military service toward meeting the requirements of the homestead laws as is now given to veterans of World War II (pp. 7328-9). This bill will now be sent to the President.
- 17. FORESTRY. Rep. Ellsworth, and others, discussed H. R. 5958, to settle the jurisdictional question between this Department and the Interior Department over "controverted" Oregon and California timberlands, and at the request of Rep. Miller (Nebr.) it was stricken from the Consent Calendar. Rep. Miller indicated that the bill would be referred to the Rules Committee. (p. 7329).

Passed as reported S. 1399, to authorize sale of certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association (pp. 7330-1).

- 18. LAND TRANSFER. Passed without amendment H. J. Res. 458, to direct the Secretary of Agriculture to quitclaim retained rights in a tract of land to the Board of Education of Irwin County, Ga. (p. 7331).
- 19. BANKING AND CURRENCY. Rep. Patman claimed the Federal Reserve Board should be required to support Government bonds at par (pp., 7348-65).
- 20. ELECTRIFICATION. Passed with amendment S. 3090, to authorize the transmission and disposition by the Secretary of the Interior of electric energy generated at Falcon Dam on the Rio Grande with provision for preference to REA cooperatives and others (pp. 7329-30).
- 21. EDUCATION. Rep. Brown (Ga.) spoke on the importance of the vocational educational program, and favored appropriation of the full amount authorized by the George-Barden Act for this purpose (pp. 7344-5).

- 22. HOUSING LOANS. Rep. Fisher objected to a conference on H. R. 7839, which includes a provision continuing the rural-housing loan program (p. 7340).
- 23. SOCIAL SECURITY. Rep. Reed (N.Y.) inserted a comparative analysis of present law and the changes proposed thereto by H. R. 7199 and H. R. 9366, to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program to other groups, including self-employed farmers and additional farm workers, etc. (pp. 7311-8).

ITEMS IN APPENDIX

24. DAIRY INDUSTRY. Rep. Springer inserted a Department summary of dairy price support purchases and uses in May 1954 (p. A4196).

Rep. Harden inserted a Country Gentleman article discussing the dairy industry problem and stating that "There are two ways to get out of it—produ less or sell more milk" (p. A4198).

- 25. SOIL CONSERVATION. Sen. Johnson, Tex., inserted an article briefly outlining the work during the last N. years of the first soil conservation district established in Tex. (pp. A4202-3).
- 26. FORESTRY. Rep. Ellsworth inserted an American Forests magazine article explaining "why full crop development based upon full crop utilization has become the guide-post in Douglas-fir region forestry" (pp. A4213-5).
- 27. SOCIAL SECURITY. Speech of Rep. Vursell stating, "I am concerned and doubt the wisdom of the inclusion of self-employed farmers under social security" (p. A4216).
- 28. ELECTRIFICATION. Sen. Butler, Nebr., inserted his statement commending the progress made by REA under the present administration (pp. A4217-8).

BILLS INTRODUCED

- 29. ANIMAL FOOD. H.R. 9448, by Rep. Bailey, to amend the act of May 29, 1884, as amended, the act of Feb. 2, 1903, as amended, the act of Mar. 3, 1905, as amended, and the first proviso under the heading "General Expenses, Bureau of Animal Industry" in the act of June 30, 1914, as amended, to include all domestic animals within their provisions; to Agriculture Committee (p. 7370).
- 30. DAIRY INDUSTRY.: A.R. 9450, by Rep. Bow, to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce, to stabilize prices of milk and dairy products, to impose a stabilization fee on the marketing of milk and butterfat; to Agriculture Committee (p. 7370).
- 31. FARM LANDS. H.R. 9454, by Rep. Harrison, Wyo., to amend section 4 of the act of Aug. 13, 1953, relating to the exchange of farm units on Federal irrigation projects; to Interior and Insular Affairs Committee (p. 7370).
- 32. WATER RESOURCES. H.R. 9459, by Rep. Hiller, Nebr., to authorize the Sec. of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Alaska; to Interior and Insular Affairs Committee (p. 7370).

plant and ending December 31, 1953) on the annual installment project construction charges of such district for the calendar year and subsequent calendar year so far

as the credit of \$504,000 will go.

(b) Twenty-one percent of the annual net revenues from the Shoshone powerplant accruing for the calendar year 1954 and subsequent years shall be credited each year as they accrue toward the payment of any construction charges which remain unpaid after the application of \$504,000 of net rev-

enues as provided in subsection (a).

(c) Whenever all construction charges assessed against any individual tract have been fuily paid, or whenever the credits as provided for in this act and apportioned to any individual tract are sufficient to pay out entire construction charges assessed against such individual tract, the remainder of any apportionment and subsequent apportionments to such tract of the net revenues provided for under this act shail be applied to the payment of operation and maintenance charges assessed against such tract.

When all obligations of the Shoshone Irrigation District to the United States have been fully paid, 21 percent of the net annual earnings of the Shoshone powerpiant shall be paid to the Shoshone Irrigation District to be utilized as the district may direct.

SEC. 2. Net revenues realized from the Sho-

shone powerpiant shall be announced each year by the Secretary of the Interior in a written statement to be sent to the Shoshone Irrigation District.

SEC. 3. All laws and parts of laws inconsistent with this act are hereby repealed to the extent of such inconsistency.

With the following committee amendment:

Strike everything after the enacting clause and substitute the following: "That the Secretary of the Interior is authorized, on behaif of the United States to enter into a contract with the Shoshone Irrigation District, Wyoming, containing appropriate provisions whereby

"(a) the United States shall pay to the district the sum of \$426,000, which sum shali be expended by the district only for purposes construction and maintenance meet yearly current expenses, all as part of its annual budgets as adjudicated by the appropriate court of the State of Wyoming in the manner provided by the applicable laws of the State:

"(b) the district relinquishes and releases any and all of its ciaims, demands, and causes of action against the United States, from whatever cause or for whatever reason, arising, with respect to any revenues hereto-fore or hereafter realized from, or with respect to control over power facilities of the Shoshone Federal reclamation project heretofore or hereafter constructed, including the Shoshone powerplant;

"(c) there are effected changes, modifications, and financial adjustments in the district's contract with the United States dated November 4, 1926, to the extent required by a finding, based upon reclassifications of the lands of the Garland division, Shoshone Federai reclamation project, that 35,950.44 acres of the lands in said division are irrigable and that 413.06 acres, formerly classified as irrigable, are now included in drain rights-of-Construction charges against the said 413.06 acres shall continue to be included in the contractual obligation of the district and in the accounts of the Garland division, but the existing repayment contract of the district may be amended to relieve such lands from the future assessment by the district. The provisions of this subsection shall be effective as of January 1, 1953;

"(d) the district's obligation with respect to payment of its share of the cost of storage works of the Shoshone reclamation project is fixed at \$340,500, which amount the dis-

trict shall continue to pay, along with other portions of the construction charge obligation except as otherwise provided in this act, in accordance with the terms and conditions of its contract of November 4, 1926, aforesaid:

"(e) the district's obligation under its contract of November 4, 1926, aforesaid is reduced, to the extent that such reduction has not aiready been made, by that portion of the unexpended balances of construction charges heretofore authorized and duly announced or promuigated which the Secretary, taking account of all lands to which said charges were applicable when they were announced or promuigated, shall determine is the ratable share of those balances applicable to the irrigable lands of the district and to the lands of the district, formerly classified as irrigable, which are now included in drain rights-of-way as hereinbefore provided. No part of the cost of Shoshone powerplant, its distribution system, or any appurtenant features of said powerpiant shall be charged against the district or landowners therein.

'SEC. 2. The proviso affecting the application of net revenues of the Shoshone powerplant, as contained in the act of March 4, 1929 (45 Stat. 1562, 1592), and the act of April 9, 1938 (52 Stat. 210), are hereby modified to the extent necessary to permit \$426,000 of the net revenues of the Shoshone powerplant to be applied compatibly with the provisions of this act.

"Sec. 3. No landowner or entryman holding land found by the reclassifications aforesaid to be permanently unproductive shall be entitled to credit from, or refund by, the United States for construction for other charges which, prior to the effective date of subsection (c), section 1, of this act, had been paid or become due and payable on account of such land account of such land. Any water right appurtenant to said lands which has been acquired under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall cease and the water supply hereto-fore used or required to satisfy such right shall be available for disposition by the Secretary under those laws, but the water users on the Garland division shall have a preference right to the use of such water.

"SEC. 4. If a contract in accordance with the provisions of subsections (a), (b), and (d) of section 1 of this act shall not have been entered into within 2 years from the date of its enactment, the authority to enter into such a contract granted by this act shall cease to be operative and shall be of no further force or effect.

"SEC. 5. There is authorized to be appropriated, out of the reclamation fund, the sum of \$426,000 for the purpose of making payment to the Shoshone Irrigation District in accordance with the provisions of the contract authorized by subsections (a), (b), and (d) of section 1 of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for a payment to the Shoshone Irrigation District of a share of the net revenues from the Shoshone

powerplant, and for other purposes." A motion to reconsider was laid on the table.

IMPROVING PROGRAM OF EMER-**GENCY LOANS**

The Clerk called the bill (H. R. 8748) to amend the act of April 6, 1949, as amended by the act of July 14, 1953, to improve the program of emergency loans, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (a) of the act of April 6, 1949 (63 Stat. 43), as amended, is further amended by adding at the end of the first sentence of said subsec-

tion the following:
"Until December 31, 1954, the Secretary is also authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs, under other provisions of this act, or other responsible sources."

With the following committee amend-

Strike out all after the enacting clause and insert in lieu thereof the foliowing:
"Until June 30, 1955, the Secretary of
Agricuiture is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs or under the Act of April 6, 1949, or other responsible sources.

"SEC. 2. Loans under this act shall (1) be made only to individuals or partnerships actively engaged in the operation of farms or ranches and shall not exceed \$15,000 in the case of any one loan and not to exceed \$20,000 to any one borrower. (2) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas, and (3) be secured by the personal obligation and available security of the producer or producers.

"SEC. 3. The Secretary may utilize the revoiving fund created by section 84 of the Farm Credit Act of 1933, as amended (12) U. S. C. 1148a), for making ioans under this act, and for administrative expenses in connection with such joans. Sums received by the Secretary from the liquidation of loans made under this act shall be added to and become a part of the said revolving fund.

committee amendment agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide emergency credit." A motion to reconsider was laid on the

AMENDING SECTION 1923 (A) OF TITLE 28, UNITED STATES CODE

The Clerk called the bill (S. 251) to amend section 1923 (a) of title 28. United States Code, relating to docket fees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first item listed in section 1923 (a) of title 28, United States Code, is amended to read as follows:

"\$20 on trial or final hearing (including a defauit judgment whether entered by the court or by the cierk) in civil, criminal, or admiralty cases, except that in cases of admiralty and maritime jurisdiction where the libeilant recovers iess than \$50 the proctor's docket fee shaii be \$10."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING THE FEDERAL DECLAR-ATORY JUDGMENTS ACT

The Clerk called the bill (H. R. 1975) to extend the Federal Declaratory Judgments Act, as amended, to the Territory

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the power granted to, and the procedure prescribed for, the courts of the United States by the provisions of the act of June 14, 1934 (48 Stat. 955, ch. 512; 28 U. S. C. A., sec. 400), as amended, relating to declaratory judgments, is hereby extended to the District Court of the District of Alaska, as to cases arising under laws locally applicable as well as to cases of the class that may be tried and determined by the courts of the United States under the provisions of the act above mentioned.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"The first sentence of section 2201 of title 28, United States Code, is amended by inserting after the words 'any court in the United States' the words 'and the District Court for the Territory of Alaska', so that the section will read as follows:

'§ 2201. Creation of remedy
"'In a case of actual controversy within its jurisdiction, except with respect to Federal taxes, any court of the United States and the District Court for the Territory of Alaska, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought."

The committee amendment was agreed

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 2201 of title 28, United States Code, to extend the Federal Declaratory Judgments Act to the Territory of Alaska."

A motion to reconsider was laid on the

PERMITTING REGISTRATION JUDGMENTS IN OR FROM THE DISTRICT COURT FOR THE TER-RITORY OF ALASKA

The Clerk called the bill (H. R. 1976) to amend title 28, United States Code, to permit the registration of judgments in or from the District Court for the Territory of Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1963 of title 28, United States Codé, is hereby amend-

ed to read as follows:

"A judgment in an action for the recovery of money or property now or hereafter entered in any district court which has become final by appeal or expiration of time for appeal may be registered in any other district by filing therein a certified copy of such judgment. A judgment so rendered such judgment. A judgment so rendered shall have the same effect as a judgment of the district court of the district where registered and may be enforced in like manner.

"A certified copy of the satisfaction of any judgment in whole or in part may be registered in like manner in any district in which the judgment is a lien.

"For the purpose of this section only, 'district' as used herein shall include the Ter-ritory of Alaska, and 'district court' as used herein shall include the District Court for the Territory of Alaska."

With the following committee amendments:

1. On page 1, line 10, substitute "registered" for "rendered."

2. On page 2, line 6, insert a comma after the word "only."

The amendments are clerical only. The first amendment conforms the bill to existing law insofar as it concerns the word "regis-The second amendment inserts a tered." comma so that the sentence may be more easily understood.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO APPROVE REPAYMENT CON-TRACT NEGOTIATED WITH THE IRRIGATION DISTRICT YAKIMA PROJECT, WASHINGTON

The Clerk called the bill (H. R. 6487) to approve the repayment contract negotiated with the Roza Irrigation District, Yakima project, Washington, and to authorize its execution, and for other purposes.

There being no objection, the Clerk

read the bill, as follows:

Be it enacted, etc., That the repayment contract negotiated as provided in subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187) by the Secretary of the Interior with the Roza Irrigation District, and substantially in the form approved by the electors of that district at a water users election held on May 29, 1953, is approved and the Secretary is authorized to execute it on behalf of the United States.

SEC. 2. This act is declared to be part of the Federal reclamation laws as those laws are defined in the Reclamation Project Act of

1939 (53 Stat. 1187).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPROVE REPAYMENT CONTRACTS NEGOTIATED WITH HERMISTON AND WEST EXTENSION IRRIGA-TION DISTRICTS, OREGON

The Clerk called the bill (H. R. 7194) to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts, Oregon, and to authorize their execution, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker. Senate bill 2761, to approve repayment contracts negotiated with the Hermiston and West Extension Irrigation Districts. Oregon, and to authorize their execution. and for other purposes, is similar to the bill H. R. 7194. The difference does not go to the merits of the bill. Therefore I ask unanimous consent that the bill S. 2761 be submitted for the bill H. R. 7194.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. Cunningham]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the repayment contracts negotiated as provided in subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187) by the Secretary of the Interior with the Hermiston Irrigation District dated September 9, 1952, and the West Extension Irrigation District dated September 6, 1952, are approved and the Secretary is authorized to execute them on behalf of the United States.

SEC. 2. The reclassifications of the lands of the Hermiston Irrigation District and the West Extension Irrigation District of the Umatilla project, Oregon, made in accordance with the provisions of section 8 of the Reclamation Project Act of 1939 and approved by the boards of directors of the irrigation districts, are approved. The Secretary, upon execution of said contracts, is authorized to charge off as a permanent loss to the reclamation fund all costs of the Umatilla project except the amounts provided for return to the United States in the contracts approved in section 1 of this act or in other outstanding contracts, but no adjustment shall be made by the United States by reason thereof with any individual by way of refund of or credit on sums heretofore paid, repaid, returned, or due or payable to the United States.

The bill was ordered to be read a third time, was read the third time, and passed. and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7194) was laid on the table.

PROVIDING FOR THE COMMITMENT AND CARE OF THE MENTALLY ILL OF ALASKA

The Clerk called the bill (H. R. 8009) to provide for the commitment and care of the mentally ill of Alaska, and for other purposes.

Mr. SAYLOR. Mr. Speaker, reserving the right to object. I ask unanimous consent that this bill be taken from the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REVISING THE ORGANIC ACT OF THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 5181) to revise the Organic Act of the Virgin Islands of the United States.

Mr. MILLER of Nebraska. Mr. Speak-I ask unanimous consent that this bill be taken from the Consent Calendar. We have asked for a rule on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

ALLOWING CREDIT IN CONNECTION WITH CERTAIN HOMESTEAD EN-TRIES FOR MILITARY OR NAVAL SERVICE RENDERED DURING KO-REAN CONFLICT

The Clerk called the bill (S. 1823) to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict, and for other purposes.

There being no objection, the Clerk read the bill, as follows:





H. R. 8748

IN THE SENATE OF THE UNITED STATES

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To provide emergency credit.

Be it enacted by the Senate and House of Representa-1 tives of the United States of America in Congress assembled, 2 That, until June 30, 1955, the Secretary of Agricul-3 ture is authorized to make emergency loans for any agricul-4 tural purposes, except for refinancing of existing indebted-5 ness, aggregating not to exceed \$15,000,000, to farmers and stockmen in any area or areas where the Secretary 7 determines that there is a need for such credit which can-8 not be met for a temporary period from commercial banks, 9 cooperative lending agencies, the Farmers' Home Adminis-10 tration under its regular programs or under the Act of 11

April 6, 1949, or other responsible sources.

12

- 1 Sec. 2. Loans under this Act shall (1) be made only
- 2 to individuals or partnerships actively engaged in the opera-
- 3 tion of farms or ranches and shall not exceed \$15,000 in
- 4 the case of any one loan and not to exceed \$20,000 to
- 5 any one borrower; (2) be made at such rates of interest
- 6 and on such terms and conditions as the Secretary shall pre-
- 7 scribe for such area or areas; and (3) be secured by the per-
- 8 sonal obligation and available security of the producer or
- 9 producers.
- SEC. 3. The Secretary may utilize the revolving fund
- 11 created by section 84 of the Farm Credit Act of 1933, as
- 12 amended (12 U.S. C. 1148a), for making loans under this
- 13 Act, and for administrative expenses in connection with such
- 14 loans. Sums received by the Secretary from the liquida-
- 15 tion of loans made under this Act shall be added to and
- 16 become a part of the said revolving fund.

Passed the House of Representatives June 7, 1954.

Attest:

LYLE O. SNADER,

Clerk.



AN ACT

To provide emergency credit.

June 8 (legislative day, May 13), 1954

Read twice and referred to the Committee on

Agriculture and Forestry





Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only)

Issued For actions of

July 14, 1954 July 13, 1954 83rd-2nd, No. 130

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HIGHLIGHTS: House committee voted to report water-facilities loans bill with amendment for soil-conservation loans, bill authorizing cooperation with Mexico and Canada in insect and plant-disease control, and bill authorizing emergency farm loans. House committee reported bill to transfer Indian extension work to USDA and States. House committee voted to report pay raise bill for classified employees. House received appropriation estimate for foreign aid. Senate committee reported foreign aid bill, and it was referred to Armed Services Committee. Senate committee voted against social security for farmers on compulsory basis. Rep. Cooley criticized Secretary's diverted acreage program. Sen. Bridges proposed and discussed measure to require annual budget balancing.

HOUSE.

- 1. WATER FACILITIES LOANS. The Agriculture Committee voted to report (but did not actually report) S. 3137, to extend the Water Facilities Act to the entire country and to increase the limitation on individual loans. The Committee agreed to the Senate provision authorizing insured loans under this program and also agreed to an amendment to authorize loans, on a direct and insured basis, for soil-conservation improvements. The Committee had previously reported a similar bill without these amendments. (p. D826.)
- 2. INSECTS; PLANT DISEASES. The Agriculture Committee voted to report (but did not actually report) S. 3697, to authorize cooperation with Canada and Mexico in control of insects and plant diseases through use of the emergency and incipient outbreak authority (p. D826).
- 3. EMERGENCY FARM LOANS. The Agriculture Committee voted to report (but did not actually report) S. 3245, to provide a new emergency loan program for farmers and stockmen (p. D826). The House had previously passed a similar bill, which was somewhat different from S. 3245.

amendment S. 3385, to transfer Indian extension work from the Interior Department to this Department and the States, except in the cases of Ariz. and N. Mex. (H. Rept. 2188)(p. 9871).

5. FORESTRY. The Interior and Insular Affairs Committee reported without amendment H. R. 7912, to abolish the Old Kasaan National Monument, Alaska, and return the

land to the national forest (H. Rept. 2191)(p. 9871).

The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 1254, to authorize permits, leases, or easements for not over 50 years to States and other public agencies for the purpose of constructing on national forest and other Federal lands public buildings or other public work (p. D827).

6. PERSONNEL. The "Daily Digest" states: "Committee on Post Office and Civil Service: Resumed consideration of H. R. 8093, Federal pay increase bill, and approved a 5-percent increase in the minimum rate of the respective grades of all employees paid under the Classification Act of 1949 (omitting GS-18)." (p.D828.

The Judiciary Committee tabled H. R. 3602, to provide for garnishment, etc.

of the wages of Federal employees (p. D828).

- 7. FOREIGN-AID APPROPRIATIONS. Received from the President an appropriation estimation of \$3,438,549,805 for the foreign aid program in the fiscal year 1955 (H. Doc. 474)(p. 9870).
- 8. EIECTRIFICATION. Concurred in the Senate amendment to H. R. 7664, to provide for development of the Priest Rapids site on the Columbia River (pp. 9813-4). This bill will now be sent to the President.
- 9. HEALTH INSURANCE. Recommitted, 238-134, H. R. 8356, to provide for reinsurance of voluntary health-service insurance organizations (pp. 9810-47).
- 10. HAWAII WATER RESOURCES. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 2843, to authorize the Interior Department to immestigate and report to Congress on the conservation, development, and utilization of water resources in Hawaii (p. D827).
- 11. FARM LOANS. The Interior and Insular Affairs Committee reported with amendmen H. R. 7568, to direct the Farm Loan Board of Hawaii to convey certain land and to ratify and confirm certain contracts (H. Rept. 2193)(p. 9871).
- 12. RECLAMATION. Received the conference report on H. R. 5731, to authorize certain Santa Margarita reclamation facilities, Calif. (pp. 9847-8).
- 13. GOVERNMENT COMPETITION. Rep. Osmers spoke in favor of legislation to prevent Government competition with private enterprise (pp. 9809-10).

SENATE

- 14. FOREIGN AID. The Foreign Relations Committee reported with amendments H. h. 9678, authorizing foreign aid appropriations for the fiscal year 1955, and it was referred to the Armed Services Committee (S. Rept. 1799) (pp. 9874-5).
- 15. SOCIAL SECURITY. The "Daily Digest" states that the Finance Committee continuits executive consideration of H. R. 9366, the social security bill, after which it announced that it had tentatively agreed to allow individuals in various self-employed professional groups to elect to come under the OASI program within a limited period of about 2 years. The Committee also voted against

Digest of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

July 16, 1954
OFFICE OF BUDGET AND FINANCE
For actions of
(For Department Staff Only)

Issued
July 16, 1954
For actions of
83rd-2nd, No. 132

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HIGHLIGHTS: Senate committee reported farm program bill. Senate concurred in House amendment to bill to transfer surplus CCC seeds to Forest Service and BLM. Sen. Johnson, Tox., urged continuation of drought relief. House committees reported bills authorizing flood-control appropriations, emergency farm loans, and cooperation with Mexico and Canada in insect and plant-disease control. House subcommittee voted to report bill to authorize reclamation loans by Interior. House committees were authorized to report CCC borrowing-power bill and housing bill during recess. Sen. Humphrey defended his position on price supports, and he and Sen. Murray inserted statements on 1952 campaign.

SENATE

- 1. FARM PROGRAM. The Agriculture and Forestry Committee reported with amendment S. 3052, the farm program bill, with a report containing majority, minority, supplemental, and separate views (S. Rept. 1810)(p. 10066).
 - Sen. Humphrey defended his position on price supports and inserted his reply to a New York Times editorial (pp. 10108-9). Sen. Humphrey inserted and discussed a letter from F. W. Thatcher in reply to Sen. Aiken's charge that the President's campaign speeches on price supports have been misrepresented; and Sen. Murray inserted a Farmers Union statement on this same matter (pp. 10067-71).
- 2. CCC SEEDS; FORESTRY. Concurred in the House amendment to S. 2987, authorizing transfer of surplus CCC seeds to the Forest Service and the Bureau of Land langement. The amendment makes the bill applicable to the fiscal year 1955, whereas it previously related only to 1954. (p. 10107.) This bill will now be sent to the President.
- 3. DROUGHT RELIEF. Sen. Johnson, Tex., urged continuation of the emergency feed program or a new program for the same purpose and inserted his letters to the President and the Secretary on this matter (p. 10123).

- 4. ATOIGIC ENERGY. Continued debate on S. 3690, to amend numerous provisions of the Atomic Energy Act of 1946. At several points during the debate there was discussion as to whether the bill should include provision for preference to REA cooperatives and TVA for power that might be developed from atomic energy. The bill includes a new provision directing AEC to make arrangements (including contracts, agreements, and leans) for agricultural research and development activities. The bill also authorizes the Commission to lease lands belonging to the U. S. for mining or prospecting for source materials. (A similar bill, H. R. 9757, has been reported in the House; H. Rept. 2181.)
- 5. STRATEGIC LATERIALS. Sen. Malone inserted a U. S. News & World Report article, "Will Lack of Minerals Strangle United States in War?" (pp. 10145-8).

HOUSE

- 6. FLCOD CONTROL. The Public Works Committee reported without amendment H.R. 9855, which includes an authorization of \$20 million additional for work by this Department on 11 watersheds (H. Rept. 2247) (p. 10067).
- 7. FARM LOANS; PLANT DISEASES. The Agriculture Committee reported with amendment S. 3245, to authorize the Secretary of Agriculture to use \$15,000,000 of the Disaster Loan Revolving Fund for emergency loans to farmers and stockmen (H. Rept. 2250); and without amendment S. 3697, to authorize sooperation with Nexico and Ganada in control of incipient or emergency outbreaks of insects or plant diseases (H. Rept. 2251) (p. 10063);
- 8. CCC BORROWING POWER; BANKING AND CURRENCY. The Banking and Currency Committee was granted permission until midnight, July 18, to file reports on H. R. 9756, to provide for an additional increase in CCC's borrowing power from \$8.5 billion to \$10 billion, and S. 3589, to provide for the independent management of the Export-Import Bank under a Board of Directors, to provide for representation of the bank on the National Advisory Courcil on International Monetary and Financial Problems, and to increase the bank's lending authority (p. 10042).
- 9. RECLAMATION LOANS. A subcommittee voted to report to the full Interior and Insular Affairs Committee H., R. 5301, to authorize Interior Department loans to privately-owned reclamation projects (pp. D812-3).
- 10. MINERALS; PUBLIC LANDS. The Rules Committee reported a resolution for the consideration of H. R. 8896, to provide for multiple mineral development of the same tracts of the public lands (p. 10063).
- 11. HOUSING LOANS. The House conferees were granted permission until midnight, July 18, to file their report on H. R. 7839, the housing bill, which includes a provision for continuing the rural-housing loan program (p. 10041).
- 12. TRANSPORTATION. The Interstate and Foreign Commerce Committee ordered reported H. R. 6310, to exempt from regulation by the CAB, operations in the transportation of livestock, fish, floricultural and horticultural commodities (p. D843).
- 13. PERSONNEL. The Post Office and Civil Service Committee ordered reported H. R. 7785, to make permanent the increases in regular annuities under the Civil Service Retirement Act which were granted by Public Law 555, 82nd Congress, and extend such increases to additional annuities purchased by voluntary contribution (p. D843).





PROVIDING EMERGENCY CREDIT

July 15, 1954.--Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Hope, from the Committee on Agriculture, submitted the following

REPORT

[To accompany S. 3245]

The Committee on Agriculture, to whom was referred the bill (S. 3245) to provide emergency credit, having considered the same, report favorably thereon with an amen lment and recommend that the bill do pass.

The amendment is as follows:

Page 1, line 3, delete the words "December 31, 1954" and insert in lieu thereof "June 30, 1955".

STATEMENT

The purpose of the bill is to authorize the Secretary of Agriculture to make emergency loans to farmers and stockmen, aggregating not to exceed \$15 million, out of the disaster loan revolving fund, in any area where the Secretary finds need for agricultural credit which could not otherwise be met.

The legislation is prompted by the credit requirements of agricultural areas where farmers have experienced economic disaster due to a sharp decline in farm income. Such emergency credit would be extended only where it is not available from private sources or from Government agencies under authority heretofore granted.

As presented to the House, with the committee amendment, S. 3245 specifically provides authority and stipulates safeguards appropriate to the emergency and temporary nature of the legislation, as follows:

Section 1 authorizes the Secretary until June 30, 1955, to make emergency loans for any agricultural purpose, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million, to farmers and stockmen in any area where the Secretary determines there is need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the

Farmers' Home Administration under its regular programs or under

the act of April 6, 1949, or other responsible sources.

Section 2 stipulates that such loans shall (1) be made only to individuals or partnerships actively engaged in the operation of farms and ranches and that such loans shall not exceed \$15,000 in the case of any one loan and not to exceed \$20,000 to any one borrower; (2) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (3) be secured by the personal obligation and available security of the producer or producers.

Section 3 permits the Secretary to utilize not to exceed \$15 million of the revolving fund created by section 84 of the Farm Credit Act of 1933 in making loans under this bill, plus such additional amounts as may be necessary for administrative expenses in connection with such loans. It is not contemplated that any additional funds will be needed

to make such loans.

The act of April 6, 1949, dissolved the Regional Agricultural Credit Corporation of Washington, D. C., and transferred its assets to the Secretary of Agriculture for use as a revolving fund to make agricultural production disaster loans and other special type loans. On July 14, 1953, the act was amended to authorize loans to farmers and stockmen in any area found by the President to have suffered a major natural disaster under the provisions of Public Law 875, 81st Congress. S. 3245 would enable the Secretary to consider the need for emergency agricultural credit in any area where disaster occurs without the requirement that the area must previously have been designated by the President, under Public Law 875, as being a major disaster area because of some natural catastrophe such as drought or flood.

Under present law, such loans may be made only in areas where serious production losses have resulted from some major natural disaster. The loans are provided under section 2 (a) of the act of

April 6, 1949, as amended.

There are areas in the country where farmers generally have experienced serious economic disaster, because of a sharp decline in farm income due to price and crop factors not related to a natural disaster, resulting in a substantial need for emergency credit not available from other sources. These areas cannot be declared disaster areas under Public Law 875 since there has been no natural disaster such as drought or flood.

S. 3245 is intended to meet such emergency eredit requirements for a temporary period, in areas designated by the Secretary upon a

showing that the need exists.

Your committee recommends passage of this legislation.

DEPARTMENTAL VIEWS

A copy of the letter from the Acting Secretary of Agriculture transmitting this legislation for the consideration of the Congress follows:

DEPARTMENT OF AGRICULTURE, Washington 25, D. C., April 2, 1954.

Hon. Joseph W. Martin, Jr., Speaker, House of Representatives.

Dear Mr. Speaker: There is submitted herewith for the consideration of the Congress a proposed bill which would authorize the Secretary of Agriculture to make emergency loans to farmers and stockmen, aggregating not to exceed \$15

million, out of the disaster loan revolving fund, in any area where the Secretary

finds need for agricultural credit which could not otherwise be met.

The act of April 6, 1949 (63 Stat. 43), dissolved the Regional Agricultural Credit Corporation of Washington, D. C., and transferred its assets to the Secretary of Agriculture for liquidation and use as a revolving fund, for the making of agricultural production disaster loans and for other special type loans. On July 14, 1953, the act was amended to authorize loans to farmers and stockmen in any area found by the President to have suffered a major disaster under the provisions of Public Law 875, 81st Congress (42 U. S. C. 1855), and found by the Secretary of Agriculture to have suffered an economic disaster causing a need for agricultural credit which could not be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular

programs, or other responsible sources.

Under the language of the proposed bill, the Secretary would be authorized to make loans from the revolving fund for the period ending December 31, 1954, to farmers and stockmen for any agricultural purpose, except for refinancing existing indebtedness, in any area where the Secretary determines there is a need for agricultural credit that cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs, under other provisions of the act of April 6, 1949, as amended, or other responsible sources. Such loans would be made at interest rates and on such terms as may be determined by the Secretary for designated areas. If cnacted, the amended authority will enable the Secretary to consider the need for emergency agricultural credit in any area where such disasters occur without the requirement that such areas must have been previously designated by the President under Public Law 875 as being a major disaster area because of some natural catastrophe such as drought or flood. Under the present law, economic disaster loans may be made only in areas where serious production losses have resulted from some major disaster. In areas that are designated by the President under Public Law 875, emergency credit needs of farmers generally can be met through production disaster loans now authorized under section 2 (a) of Public Law 38, as amended. Thus, economic disaster loans authorized by section 2 (b) are presently limited to farmers in areas in which production disaster loans usually can be authorized.

The need for this additional lending authority is demonstrated by the situation of the farmers in Aroostook County, Maine, who are now encountering a serious economic disaster because of the sharp decline in the price of potatoes during 1953 which will create a substantial need for emergency credit not available from established sources and not available from this Department under present restricted authority. Since the area has not been designated by the President pursuant to Public Law 875 and since there has been no major production loss, assistance could not now be authorized either through production disaster loans or economic disaster loans. Similar situations exist in Idaho and parts of Colorado. Other situations undoubtedly will develop in other segments of our agricultural industry.

situations undoubtedly will develop in other segments of our agricultural industry in other scattered areas not eligible for production disaster loans.

It is contemplated that the funds currently in the disaster loan revolving fund would be used to make loans under the proposed authorization. It is not contemplated that any additional funds will be needed to make such loans. The necessity of any further appropriations to the revolving fund is contingent upon the other calls on the disaster loan fund during the coming crop year.

The Department recommends the enactment of this proposed legislation.

The Bureau of the Budget advises that there is no objection to the submission of this proposed legislation to the Congress for its consideration.

Sincerely yours,

TRUE D. Morse, Acting Secretary.



Union Calendar No. 777

83D CONGRESS 2D SESSION S. 3245

[Report No. 2250]

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1954

Referred to the Committee on Agriculture

JULY 15, 1954

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

AN ACT

To provide emergency credit.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, 2 That until December 31, 1954 June 30, 1955, the Secretary 3 is authorized to make emergency loans for any agricultural 4 purposes, except for refinancing of existing indebtedness, ag-5 gregating not to exceed \$15,000,000 to farmers and stock-6 7 men in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for 8 9 a temporary period from commercial banks, cooperative lend-10 ing agencies, the Farmers Home Administration under its regular programs or under the Act of April 6, 1949, or 11

other responsible sources.

12

1 Sec. 2. Loans under this Act shall (1) be made only

2 to individuals or partnerships who are actively engaged in

3 the operation of farms or ranches; (2) not exceed \$15,000

4 in the case of any one loan; (3) not be made to any one

5 borrower so as to increase the total indebtedness of such

6 borrower under this Act to an amount in excess of \$20,000

7 (including principal and accrued interest); (4) be made at

8 such rates of interest and on such terms and conditions as the

9 Secretary shall prescribe for such area or areas; and (5) be

10 secured by the personal obligation and available security of

11 the producer or producers.

12 Sec. 3. The Secretary may utilize the revolving fund

13 created by section 84 of the Farm Credit Act of 1933, as

14 amended (12 U.S.C. 1148a), for making loans under this

Act, and for administrative expenses in connection with such

16 loans. Sums received by the Secretary from the liquidation

of loans made under this Act shall be added to and become a

18 part of the said revolving fund.

Passed the Senate May 13, 1954.

Attest:

J. MARK TRICE,

Secretary.



83b CONGRESS 2b Session

S. 3245

[Report No. 2250]

AN ACT

To provide emergency credit.

May 17, 1954

Referred to the Committee on Agriculture
July 15, 1954

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed





Digest of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued For actions of

August 5, 1954 August 4, 1954 83rd-2nd, No. 149

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HIGHLIGHTS: Senate debated farm program bill. Senate passed supplemental appropriation bill. House passed emergency farm loans bill. Sen. Dirksen introduced bill on sale of CCC feed grains. President approved watershed bill.

SENATE

- 1. FARM PROGRAM. Began debate on S. 3052, the farm program bill (pp. 12643, 12653-717), but took no action on amendments.
- 2. SUPPLEMENTAL APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 9936 (pp. 12644-50). Senate conferees were appointed (p. 12650).
- 3. FORESTRY. The Government Operations Committee reported with amendment S. 3773, to authorize reciprocal fire-protection agreements between Government departments and agencies and public or private organizations engaged in fire-fighting activities (S. Rept. 2211)(p. 12641).
- 4. EDUCATION. The Interior and Insular Affairs Committee reported without amendment H. R. 1797, to provide for conveyance by the Interior Department of a tract of land to the Okla. A&M College (S. Rept. 2216)(p. 12641).
- 5. RECLAMATION. This Committee reported without amendment H. R. 8520, to include the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill irrigation developments in the Missouri Basin project (S. Rept. 2212)(p. 12641).

- 6. PERSONNEL. Sen. Johnston claimed civil-service positions are being filled on the basis of political affiliations (pp. 12656-7).
- 7. STOCKPILING. The Judiciary Committee reported (Aug. 2) with amendment S. 3585, to amend the Strategic and Critical Materials Stockpiling Act so as to provide "that any gem diamonds constituting a part of the stockpile may be exchanged for industrial diamonds of a like value" (S. Rept. 2195). The committee report explains that a firm has offered to make such an exchange and has agreed to purchase wheat of the same value from the proceeds of its sale of the gem stones acquired by the exchange.

HOUSE

- 8. FARM LOAMS. Passed as reported S. 3245, to authorize the Secretary to use \$15,000,000 of the Disaster Loan Revolving Fund for emergency loans to farmers and stockmen until June 30, 1955 (pp. 12616-7). Rep. Whitten criticized the administration's farm program (pp. 12616-7).
- 9. FOREIGN AID. House conferees were appointed on H. R. 9678, the mutual security authorization bill (p. 12560). Senate conferees have been appointed.
- 10. FAMILY-SIZE FARMS. Rep. Patman recommended that Government programs be directed toward helping family-size farms and inserted a table showing the number of farms in the Nation from 1920 forward by size of farms (pp. 12632-7).
- 11. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 118, to authorize the Washita River Basin project, Okla. (H. Rept. 2621) (p. 12638).
- 12. PERSONNEL. The Judiciary Committee reported with amendment S. 2308, to authorize and direct the investigation by the Attorney General of certain offenses (H. Rept. 2622) (p. 12638).

COMMITTEE HEARINGS RELEASED BY GPO

13. MILITARY CONSTRUCTION APPROPRIATIONS, 1954, including discussion of financing through surplus commodities. S. Appropriations Committee.

BILLS APPROVED BY THE PRESIDENT

14. SOIL CONSERVATION. H. R. 6788, to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes. Public Law 566, 83rd Cong. (approved August 4, 1954).

The bill authorizes the Secretary of Agriculture to cooperate with and assist local organizations - including States, political organizations thereof, soil or water conservation districts, flood prevention or control district or combinations thereof, or other agencies having authority under State law to carry out, maintain and operate works of improvement - upon their request, to prepare and carry out plans in small watersheds for works of improvement for flood prevention or the agricultural phases of the conservation, development, utilization, and disposal of water. It repeals most of the Department's authority for watershed flood prevention work under the Flood Control Acts.

the exact basis of a plea of privilege than it eyer is for the chairman or counsel of a committee in the midst of its hearings.

When a witness asserts the privilege, and the Chair has ruled that the assertion is improper—or immunity has been granted, for that matter—the witness may of course still refuse to answer. Under present practice, that is where the matter ends, unless the committee wishes to cite him for contempt. And, as I have noted, there has never been a contempt conviction, out at the other end of that line of procedural hurdles, on this ground. This would be the point at which an order would be sought, and if the judge were satisfied that the plea was improperly interposed, the witness would be stripped of it forthwith.

I am satisfied that in many cases this plea has been abused. Congressional committees have consistently respected such a plea. A court could go into the facts to see whether it was genuine or otherwise. As a matter of fact, the device might also be very helpful in another way in connection with immunity grants, that is, the committee could and would probably test any questionable plea of immunity by applying for a court order and thus bringing about examination by the judge before it so much as considered granting immunity. Thus the danger of giving immunity in response to a plea which was unsound or improper would be practically eliminated because you would have the court entering into the proceedings beforehand and making the most careful of all possible determinations as to the validity of the witness' claim.

I believe this bill would be an effective piece of legislation to clarify and strengthen the legitimate investigative: powers of Congress and its committees. I hope it will have the enthusiastic sup-

port of the membership.

This procedure of hauling a witness in here to the floor of the House or to the floor or the other body is completely unrealistic, in my judgment. This bill this is brought before the House today is a realistic approach to a very serious problem which has greatly disturbed a great many of us.

Mr. DINGELL. Mr. Speaker, will the

gentleman yield?

Mr. KEATING. I yield to the gentle-

man from Michigan.

Mr. DINGELL. The gentleman is not disturbing that privilege of the House. of bringing a witness here?

Mr. KEATING. No. Mr. DINGELL. That still remains intact?

Mr. KEATING. That is correct.

Mr. DINGELL. And unimpaired?
Mr. KEATING. That is right.
Mr. DINGELL. I should like to ask another question. But you are circum-

venting the House by going directly to the courts from the committee, are you not?

Mr. KEATING. I think that is a fair

statement.

Mr. DINGELL. And to that degree you are making less potent the membership of this House as a whole, less than heretofore?

Mr. KEATING. I think the gentleman has raised an interesting point and one that should be mentioned. It is a fact that by this procedure the congressional committee itself would apply to the court for an order requiring the witness to answer. Then he would be proceeded against for contempt of court if he did not answer.

Mr. DINGELL. In other words, what the gentleman is trying to do here is to shortcircuit the action or speed it up directly from the committee to the courts. But would that still leave the option in the committee to bring the matter to the House if it so chose?

Mr. KEATING. Yes: I was just going to say that the committee itself, if it desired to take advantage of this old statute, could bring the witness before the bar of the House or of the Senate. It could still do so. That would be up to the committee itself. I would assume, to make the decision whether to bring the matter to the House. As a matter of fact, they could still bring it to the House to act as it has in the past. Then the witness would be charged with contempt of the Congress. Under this bill, he would be charged with contempt of the court.

Mr. DINGELL. What I am trying to arrive at is this. I should like to see a means or a method evolved by which a committee could get more speedy direct action. Also, I want to preserve the full privileges of the House as they exist now.

Mr. KEATING, I think they are preserved under this pill

Mr. MEADER. Mr. Speaker, will the

gentleman yield?
Mr. KEATING, I yield.
Mr. MEADER. Does not this procedure, in effect, give congressional committees the same method for getting an enforceable subpena as is now given to administrative tribunals, such as the National Labor Relations Board, the Interstate Commerce Commission, and

Mr. KEATING. That is correct. The gentleman has brought up a very good point. This is something which we in Congress have given to many of the administrative agencies and certainly we should have the same power ourselves.

(Mr. KEATING asked and was given permission to revise and extend his remarks.)

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. Dopp].

(Mr. DODD asked and was given permission to revise and extend his remarks.)

Mr. DODD. Mr. Speaker, for the same reasons that I opposed the passage of S. 16 that was jammed through the House a few minutes ago with only 40 minutes allowed for discussion, I oppose the passage of the present measure.

Several weeks ago we devoted 2 days to discussion and debate on the proper size of a bushel basket, and this afternoon on two measures involving grave constitutional problems we are rushing through legislation with only minutes allowed for discussion and consideration.

Have we completely lost our sense of responsibility?

What is the hurry?

What are we trying to do?

With only minutes for consideration, we may be impairing constitutional rights that we have held for 165 years.
This is not the way a great legislative

body should handle such important mat-

ters.

And this is the way in which we will break the faith of people in representative government.

A few days ago the majority leader pressed hard for adjournment of this body on July 31%

He must have thought that these matters should be given more time and that they should go over to another session of Congress.

And now with a resolution to adjourn having been passed by this House, we are rushing through constitutional changes under suspension of the rules.

I ask the Members of the House to vote down such a suspension of the rules and to defeat passage of this bill.

[Mr. JAVITS addressed the House. His remarks will appear hereafter in the Appendix.1

Mr. CUNNINGHAM. Mr. Speaker. am very much in favor of H. R. 4975, which I notice was introduced on May 4, 1953, because on that same date I introduced what is now known as H. R. 4979 and which in substance is the same identical bill. In fact, section (b) of H. R. 4975 is identical with section (b) of H. R. 4979 as originally introduced. I wish to recommend and congratulate the committee for bringing out this measure as one that is much needed and in my opinion will cool the ardor of many of those who are now invoking the fifth amendment. Under present law, as I understand it, a witness appearing before a congressional committee is his own judge as to whether or not the answer to any question would incriminate him, and if he invokes the fifth amendment the committee is helpless to do more than refer the matter to the House of Representatives. H. R. 4975 authorizes the judge of any United States court to determine whether or not the answer would incriminate the witness; and if the judge's decision is that it would not, then the witness is in contempt.

The idea for this measure came to me from the late George A. Wilson of Iowa, who had a very distinguished career as a lawyer, district attorney, district judge, State senator, governor, and United States Senator. Early in the year 1953 he wrote me a letter setting forth the idea as contained in this measure, together with an article written by Sena-tor Wilson about it which had appeared in the Sioux City Journal of Sioux City, Iowa. About that time David Lawrence, in an article in the Washington Evening Star, commented editorially, upon Senator Wilson's idea. I took this information to the Drafting Service and requested that a bill be drawn embodying Senator Wilson's idea. I notice that my good friend, Mr. KEATING, had a similar idea about the same time as both bills

were introduced on the same date and are virtually the same.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and (twothirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the

table.

EMERGENCY CREDIT

Mr. HOPE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3245) to provide emergency credit.

The Clerk read as follows:

Be it enacted, etc., That until June 30, 1955, the Secretary is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed \$15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration undr its regular programs, or under act of April 6, 1949, or other responsible sources.

SEC. 2. Loans under this act shall (1) be made only to individuals or partnerships who are actively engaged in the operation of farms or ranches; (2) not exceed \$15,000 in the case of any one loan; (3) not be made to any one borrower so as to increase the total indebtedness of such borrower under this act to an amount in excess of \$20,000 (including principal and accrued interest); (4) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (5) be secured by the personal obligation and available security of the producer or producers.

SEC. 3. The Secretary may utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans made under this act shall be added to and become a part of the said revolving fund.

The SPEAKER. Is a second demanded?

Mr. McCORMACK. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

[Mr. HOPE addressed the House. His remarks will appear hereafter in the Appendix.]

IMr. EDMONDSON addressed the House. His remarks will appear hereafter in the Appendix.]

GENERAL LEAVE TO EXTEND REMARKS

Mr. KEATING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H. R. 4975.

The SPEAKER. Is there objection? There was no objection.

EMERGENCY CREDIT

Mr. McCORMACK. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. Whitten].

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, I take the floor to say that I, too, am glad to see our Committee on Agriculture bring before the Congress this bill extending credit to these farmers who can qualify for loans by the Farmers' Home Admin-Through the years I have istration. served on the appropriation group handling the Farmers' Home Administration program as well as all other farm pro-I think the step taken here is one which is greatly needed. I think the bill lacks a great deal, however, of meeting farm credit needs, I should say, the constantly increasing needs which American agriculture has for farm credit. The Farmers' Home Administration has certain definite limitations which keep this program from meeting the great need of American agriculture for money with which to operate. I understand our great Committee on Agriculture is about to reinstate the authorization for Federal Land Bank Commissioner loans. Many of you will recall during the thirties the Federal land bank would make a land loan and then it would make an additional loan of 10 or 15 percent, which loans were known as Commissioner loans. This was an effort to make available a little extra money in order that those engaged in agriculture could continue to operate and not let their farms be worn out or depleted. The records show that insurance companies, banks, and those who are today engaged in making loans to farmers are constantly increasing the amount of their loans with resulting mortgages, which means that this great segment of our country on which the prosperity of our Nation rests, our farmers, are going into the hole financially to a greater and greater extent each and every day.

Do you not know? Cannot this adminstration see what that means? Can you not see the relation between this situation and the prices farmers receive? The price of what the farmer buys is going up. What he receives is going down. I tried to point this out and I believe I proved our case when the farm bill was up. However, the majority voted to reduce price supports and, thereby, the price the farmer receives.

Here is something someone needs to get over to you, and that is that in this complex society of ours, with legal guaranties to labor, and the bargaining rights of labor unions, the minimum-wage laws, protective tariffs, and the Interstate Commerce Commission granting freightrate increases, with the American consumer demanding more and more attention to the finished product, such as frozen foods, individual containers, more and more service, which of course he identifies as a part of his grocery bill, we must of necessity give the same attention to the producer of the raw material. The farmer must have his fair share of the laws for the good of all of us.

His production for a number of years, has virtually been bottled up in the United States and held off world markets at competitive prices because of a Government policy of helping our allies by giving them first chance to sell at our farmers' expense. The law does not re-

quire that, in fact it does not contemplate any such course.

Notwithstanding the need for more income to those engaged in agriculture, and our distinguished chairman of the Committee on Agriculture who presents the pending bill agrees with my sentiments on agriculture, or I with his, we are here seeing the Congress trying to meet the plight of the American farmer caught in a financial squeeze by extending further credit. Apparently the administration recognizes the farmers' problem but we find at the same time this administration trying to reduce the farmers' income. If those two things make sense except in this way that if you reduce the farmer's income you increase his need to borrow money to get by. It does look as if anyone could see the cause for what we are having to do here today.

Again I would like to point out to you that in the support program of the basic farm commodities, the great benefit does not necessarily come from the fact that the farmer can sell his product to his Government through the Commidty Credit Corporation; the greater benefit is that the buyers, the middlemen, those who buy the raw material, have to start their bidding at the support level and not below. When you reduce the support level you reduce the bidding price of those who purchase from the farmers, and not withstanding the farmer feels the injury immediately and then needs to borrow more money to the point that we are having to increase, every week almost, the loans that are available to him, the benefits of reduced price supports on basic raw materials are not carried forward to the consumer but are absorbed by that group between the farmer and the consumer.

The testimony of this Department of Agriculture, under Secretary Benson, who has led the fight to reduce support levels on basic commodities, the records of his own Department show that since 1945 the cost of handling farm commodities from the time it leaves the farmers' hands to the consumer has increased some 83 percent—but the farmers' share has gone down.

Mr. ROGERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ROGERS of Texas. I want to commend the gentleman from Mississippi on the great fight he has made for the American farmer, and the manner in which he has presented the problem at this time.

I also want to point out that in the situation with which the farmer is faced now his financing needs are not going to be met unless we make some changes. The reason is simply this, that the small merchants in these towns who have carried these farmers can no longer do so. The farmer faces a situation where he has got to have production and subsistence loans, and the little merchant cannot get any of that money, but the farmer has to have the money for other purposes.

The Small Business Administration is not meeting the need here and apparently is not attempting to out in my section of the country. We must do something to help these farmers. So I appre-

ciate the gentleman and the fine fight he is making here.

Mr. WHITTEN. I thank the gentleman and am glad to see that he and others from the farm area recognize this problem and have contributed greatly to trying to help. What the gentleman points out further proves that the farmer's plight first reaches those small-business men, then, those with whom they do business. A destitute agriculture will reach the Empire State Building, do not think it will not.

The American farmer is getting in worse financial condition. He is having to borrow more and more to make it. This administration tries to help by making credit available but at the same time make the farmer's situation worse by reducing the prices he will receive. Is it not utterly ridiculous at the same time you see the farmer having to go further in debt to be reducing the prices that the farmers get when the cost of what he buys is going up? Let me remind you the benefits of reduced prices to farmers are not going to the consumer; they are going to be absorbed in the spread between the farmer and the consumer. But the administration is trying to cure the farmer's price squeeze by reducing his price supports, and by substituting the modern parity formula based on his prices heretofore received and ignoring his increasing costs to which the old formula is tied. The effect is to further reduce price supports.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. Let me say this and I will yield to my friend, the gentleman from Kansas, in just a moment. Surely all of you recall the difficulties faced by the farmers throughout the United States in the early 1930's. They were mortgaged to the hilt and the break in prices received set off the great depres-

In my whole area there were not a half-dozen individuals who actually controlled the land to which they had legal title because it was mortgaged to the hilt. The land bank, the insurance companies really owned the land. The average farmer lived and worked each year on the difference between what he could borrow to make the crop and what he had to pay out—and believe me that was precious little. Today the farmer's cost of making a crop is so great that he can lose in 2.7 years his whole farm. That is, in 2.7 years. That means that the moment he goes into debt and continues to go into debt the greater and greater is his risk. Farming is a business, an expensive business. Drought, disease, insects, weather, they are just some of the farmer's problems. farmer must be a capitalist, he must be a laborer. His business carries the greatest risk you can imagine.

Now, about 20 years ago the farmer began to get something like his fair share of the protection of laws similar to industry and labor. Only since then have farmers somewhat prospered as others. Only since then has the farmer been able to put back into the soil a fair share of soil fertility taken out by

crops.

Today those laws are under attack. Today when the farmer's financial problems are greater, when his costs are higher, when his income is reduced, the problem would be met by this administration by reducing his price supports and lending him more money. That is no sound farm program.

Mr. McCORMACK. Mr. Speaker, I yield the gentleman the balance of the

time on this side.

Mr. WHITTEN. Mr. Speaker, I say once again that the country is going to prosper as agriculture prospers. The records shows that in every 5-year period of our history the national income has averaged about seven times the farm income. When you put American agriculture back into the virtual ownership of the insurance companies, the land banks and yes, the Government, even though we have to extend this credit which many farmers need because of dire necessity, when his borrowings go back to the point where he does not control his farm but the man who lends him the money does, when you put him back to where his prices received are greatly reduced and reduced more every day, you are not only endangering agriculture but you are endangering the foundation of our American economy. The same administration offering more loans with interest is trying to relieve the farmer's price squeeze by reducing his prices. I am glad we are passing this bill but I say again at best it can only give some temporary relief to a small percentage of farmers who have to almost take a pauper's oath to qualify. Would it not be more sound, and yes, more economical in the long run, to help protect his in-

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. I was just wondering whether the gentleman would agree with me in this: That in any degree to which we have reduced the price supports and reduced parity to the farmer we just reduce his buying ability, his purchasing ability and his economic situation in the country by justthat much?

Mr. WHITTEN. Yes.

Mr. MILLER of Kansas. Would the gentleman further agree from his knowledge of American agriculture and American history, that there never was a time in the history of this country, until we had the farm program, when the American farmer had any reason to believe that he would get a fair price for his products?

Mr. WHITTEN. I certainly agree with the gentleman. The farmers condition has been worse since his products have been largely kept off world markets at competitive prices by governmental policy. May I say further that since the gentleman from Kansas has been here I find myself agreeing with him most of the time. He is an able, informed Member of this House who makes a great fight for those things I believe are basic to the welfare of all of us.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Would the gentleman care to comment upon what seems to be a deliberate plan to have the people in the cities, the consumers there. blame the poor farmers for the high cost of living?

Mr. WHITTEN. I see no other explanation for some of the speeches made. They would tend to inflame the consumers in our cities. The Department of Agriculture speakers do not show the farmer is getting less. They do not show the extra costs to the consumer comes from extra freight and handling charges from individual packaging, frozen foods and the many other extra service consumers demand today. The farmer does not get that. Such extra costs for our food competes with what the farmer does get. It tends to reduce his prices. However, if the farmer's prices received are lowered under our system such amounts would not go to the consumers. All of this is proven by records of the Department. Take the example of a loaf of bread. When bread retailed for 12 cents, the farmer received 2.9 cents. Now the farmer's return on the wheat in a loaf of bread has gone down from 2.9 cents to 2.5 cents per loaf and the retail price for a loaf of bread has gone up to 16.7 cents. Reductions in the farmer's prices, as provided by the farm bill recently passed, will not be reflected in reduced prices to the consumers. Furthermore, when you reduce the price of the raw material, if the reduction were carried forward into the finished product, and there is nothing to indicate it would, it means less than 1 cent per package of cigarettes and so with other consumer articles. All of the statements are proven by the records in the Department of Agriculture. These facts are not the subject of speeches by the administration. Why are such facts ignored and such charges made against farm price supports unless the purpose be to inflame the voters in our cities? To me there seems to be no other logical answer.

IMr. HOPE addressed the House. His remarks will appear hereafter in the Appendix.]

The SPEAKER. The question is on the motion to suspend the rules and pass the bill.

The question was taken; and (twothirds having voted in favor thereof) the bill was passed.

REPORT OF STUDIES OR INVESTI-GATIONS TO THE HOUSE

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 697, to amend House Resolution 91.

The Clerk read the resolution, as follows:

Resolved That House Resolution 91 is amended by inserting at the end thereof the following paragraph:

"The committee may report to the House at any time during the present Congress the results of any studies or investigations made under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we could have a few words of explanation of what that is all about.

Mr. ALLEN of Illinois. Mr. Speaker, the purpose of this resolution is to authorize the Committee on Ways and Means to report to the House at any time during the present Congress the result of any studies or investigations made under the authority of House Resolution 91.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

INCREASE IN RATES OF NON-SERV-ICE-CONNECTED PENSIONS

The SPEAKER. The Chair recognizes the gentlewoman from Massachusetts [Mrs. Rogers].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I call up the bill (H. R. 9962) to increase by 5 percent the rates of pension payable to veterans and their de-

pendents and move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue for 1 hour, the time to be equally divided and controlled by the gentleman from Texas [Mr. Teague] and myself.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentlewoman from Massachusetts.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9962, with Mr. NICHOLSON in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mrs. ROGERS of Massachusetts. Mr. Chairman, the bill which we are considering today would increase by 5 percent the rates of pension payable to veterans and their dependents.

Pension, it should be kept in mind, is for non-service-connected disability, and is an old and honorable system having been in effect many years prior to the adoption of the compensation provision which is applicable to service connected injuries This bill is in line with H. R. 9020 which passed the House on July 21, and as will be recalled, provided a 5 percent increase in the service-connected rates. This bill provides the same amount of increase for the non-service-connected cases.

The Veterans' Administration points out that there are a total of 544,000 veterans involved, and 399,100 cases of dependents of deceased veterans who would benefit from the passage of this legislation. The first-year cost would amount to \$35,958,000.

Members have previously been furnished a copy of a chart showing the exact effect of this 5 percent increase, and I ask unanimous consent to insert at this point this chart.

As so many of the Veterans and the widows are elderly, there are likely to be deaths this next year and in the future years in increasing numbers.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

(The matter referred to follows:)

INCREASED RATES OF PENSION, H. R. 9962

Title: To increase by 5 percent the rates of pension payable to veterans and their dependents.

Mr. Mack of Washington. Introduced and referred July 20, 1954.

Analysis: Increases the rates for non-service-connected pension as indicated below:

sion payable to veterans and their de- injuries.			ice-connected pension as indicated below:		
	Existing rates	H. R. 9962	Number affected	Estimated first year's cost	
World War I, World War II, and Korean Conflict			482,700 veterans	\$20, 210, 000	
Permanent and total disability Permanent and total disability and age 65 Rated permanent and totally disabled, continuous period of 10 years	\$63.00 75.00	\$66.15 78.75			
Aid and attendance. (Note.—The foregoing rates are available to Spanish-American Way veterans. However,	129.00				
substantially all such veterans on the pension rolls are being paid the greater rates set forth helow.					
DependentsWidow, no child	48.00	50. 40	310,600 cases	9, 257, 000	
Widow and 1 child Each additional child	60, 00 7. 20				
Children where there is no widow: 1 child	26. 00 39. 00				
2 children (equally divided)	52. 00 7. 20	54. 60			
SPANISH-AMERICAN WAR					
Veterans			61,800 veterans		
Age 62 or over————————————————————————————————————	00.10				
1/10 disability or more		67. 73			
Age 62 or over Aid and attendance Dependents	03.00	88. 04			
Widow who was wife of veteran duving convice	51.60 64.50	54, 18 67, 73	81,700 cases		
Additional for each child	7.74	8. 13			
Fach additional shild (to and 10) Artal annul 1 1	59. 34 7. 74	8. 13			
1 child (age 16 or over)	26.00 39.00 52.00	40. 95			
	7.20				
Veterans Civil War		************	1 vetcran	77	
Aid and attendance Dependents	96.75 129.00	101. 59 135. 45			
Widow age 70	38. 70	40. 64 54. 18	5,600 cases	170,000	
Additional for each child	64. 50 7. 74	67.73			
No widow, 1 child	46. 44 7. 74	48.76			





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authorizing the transfer of personnel and appropriations to defense activities of various departments and agencies pursuant to law, regarding rental of Government-owned living quarters. Contains language, similar to that in previous years, prohibiting the use of funds of corporations for purchase of construction of office buildings, and authorizing the use of appropriated funds to purchase foreign credits owed to or owned by the U. S.

- 3. PERSONNEL. Received the conference report on H. R. 2263, the so-called fringe-benefits bill (H. Rept. 2665)(pp. 13893-901). The text of the bill, as agreed to by the conferees, is printed in the Record.
- 4. ATOMIC ENERGY. Received the revised conference report on H. R. 9757, to make various changes in the Atomic Energy Act (H. Rept. 2666)(pp. 13873-88). Those revised bill is printed in the Record.
- 5. VEHICLES; FURNITURE. Concurred in the Senate amendments to H. R. 8753, to authorize GSA to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct GSA to report the unauthorized use of Government motor vehicles, and to authorize GSC to regulate operators of Government motor vehicles (p. 13824). This bill will now be sent to the President.
- 6. DEBT LIMIT. By a division vote of 193 to 31, concurred in the Senate amendment to H. R. 6672, increasing the debt limit of the Government. The amendment provides for a temporary increase of 6 billion until June 30, 1955. (pp. 13824-8). This bill will now be sent to the President.
- 7. CUSTOMS SIMPLIFICATION. Concurred in the Senate amendments to H. R. 10009, to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, and to repeal or amend obsolete provisions of the customs laws (pp. 13822-4). This bill will now be sent to the President.
- 8. FOREIGN AID; SURPLUS COMMODITIES. House conferees were appointed on H. R. 9924, to provide for family housing for military personnel and their dependents, to authorize the Secretary of Defense to procure such housing for military personnel in foreign countries through the use of foreign currencies obtained through sale of surplus agricultural commodities, and to make Defense Department appropriations available to reimburse CCC in an amount equivalent to the dollar value of the currencies used (p. 13829). Senate conferees have not yet been appointed.
- 9. SOCIAL SECURITY; FARM LABOR. House conferees were appointed on H. R. 9366, the social security bill, which includes a provision extending social security retirement coverage to approximately 2.6 million additional farm workers (p. 13820). Senate conferees have been appointed.
- 10. FOREIGN-AZD APPROPRIATION BILL, 1955. House conferees were appointed on this bill, H. R. 10051 (p. 13821). Senate conferees have been appointed.
- 11. EDUCATION. Passed without amendment S. 3629, to amend Public Law 874, 81st Cong., so as to postpone the effective date of the 3 percent "absorption" requirement of school districts in areas affected by Federal activities for 1 additional year (through June 30, 1955). This bill will now be sent to the President.

Passed with amendment S. 3268, to amend Public Law 815, 81st Cong., so as to extend for 3 additional years the program of Federal assistance for school construction under title III thereof (p. 13857).

- 12. PERSONNEL, RETIREMENT. Passed with amendment S. 3627, to amend the Civil Service Retirement Act so as to tighten up several "loopholes" (pp. 1382849).
- 13. FARM LAROR. The Judiciary Committee reported without amendment S. 2862, to provide relief for the sheep-raising industry by making special monquota immigration visas available to certain skilled alien sheepherders (H. Rept. 2662) (p. 13902).
- 14. IMVESTIGATIONS; PERSONNEL. Passed with amendments S. 2308, to give the Attorney General concurrent jurisdiction over investigation of violations of title 18 of the U. S. Code (regarding crimes) by Government officers and employees, except for members of the armed forces and the Post Office Department (pp. 13859-60).
- 15. COPVENING OF CONCRESS. Passed without amendment H. J. Res. 585, to provide that the 81th Congress shall convene at noon on Wed., Jan. 5, 1955 (p. 13858).

SEMATE

- 16. FARE TOATS. Concurred in the House amendment to S. 3245, to authorize the Secretar: to use 015,000,000 of the Disaster Loan Revolving Fund for emergency loans to farmers and stockmen until June 30, 1955 (p. 13942). This bill will now be sent to the President.
- 17. RECLAMITION. Discussed and passed over, upon the objection of Sen. Smathers, H. R. 5301, to authorize the Interior Department to make loans to privately owned reclamation projects (pp. 13926-7).

owned reclamation projects (pp. 13926-7).

Discussed and passed over, upon the objection of Sen. Smathers, H. R. 9981 to provide for construction of distribution systems on authorized rederal reclamation projects by irrigation districts and other public agencies (p. 13928).

Sen. Watkins stated "there is an extreme need for facts to clarify much of the confusion which has resulted from misinformation spread about the upper Colo. River project" and inserted George D. Clyde's (commissioner of interstate streams for Utah) article which discussed the issues (pp. 13909-10).

- 18. ATOMIC EMERGY. Agreed, 59 to 17, to the revised conference report on H. R. 9757, the atomic energy bill (pp. 13982-5).
- 19. PERSONNEL. Passed without amendment H. R. 5718, to limit to 6 years the period for collection by the Government of compensation received by officers and employees in violation of the dual compensation laws (p. 13928). This bill will now be sent to the President.
- 20. TAXATION, Sen. Ferguson inserted the President's statement made upon the signing of H. R. 8300, the general tax revision bill (pp. 13937-42).
- 21. SOIL CONSERVATION. Sen. Watkins inserted a newspaper editorial and stated that the "role that can be played by the Federal Government in cooperating in watershed improvement program under the Hope-Aiken measure is adequately shown in this editorial (pp. 13910-1).

dollars. There was a Treasury loss of \$3 billion on the individual income taxes. There was a Treasury loss of \$2 billion on

the excess-profits taxes.

This year's bill, about which we are hearing so much, and which the President today approved, has taken off another \$1,500,000,000 immediately. The amount will probably continue to grow: but that much is being taken off now.

Those are the tax reductions. Every one of them was made at a time when the Republican Party was not the majority in this body, except the reductions in the tax bill which the President signed today. That is all there is to it.

If it was good to take off the excess

profits taxes, if it was good to reduce the rate on the individual taxpayers, and if it was good to reduce the excise taxes by \$1 billion, the Democrats are entitled to a little credit for that. At least, they went along with the proposal, and went

along with it again this year.

The present law, which was signed today, is the work of the Republican administration. I have said frankly that there are many good things in it. But there is not a good thing in everything that is being here extolled as a great virtue which would not have been immensely improved simply by raising the personal exemptions, and avoiding the necessity of writing into the tax laws one exception after another, which is the very bane of any sound tax system. That is all wrong. That is not the way to accomplish the purpose. That is the way to do it if it is desired to give relief only to a select few or a select group.

If it was desired to give relief, and to

keep the exceptions out of the incometax laws—exceptions which are only confusing and bad—then the way to have accomplished every good purpose in the bill, so far as the individual income taxpayer is concerned, was to have increased the personal exemption. That would have taken a number of people off the taxrolls. I have already said that 7,500,000 went off the rolls in the 80th Congress, and the heavens did not fall;

they did not even crack.

I shall not discuss other features of the tax bill. I do not believe there is anything exceptionally wrong with many of the provisions contained in the bill. I have tried to make it perfectly plain that there is nothing wrong about recognizing essential equity in behalf of the recipient of a dividend which is taxed at the full corporate rate. I simply would have reversed the process; I would have given the benefit to all taxpayers, whether they received corporate dividends, or whether, in the sweat of their brow, they simply earned their income. When the time comes when we can

recognize inequity and the strangling of incentive through exorbitantly high taxes which were imposed upon corporate earnings, plus high taxes imposed upon dividends when they go to the individual, relief can then be provided.

But so long as a program is followed of singling out little groups, powerful though they may be, and as strongly as they may be able to prevent inequity to themselves, and so long as exception after exception is made in the income-

tax laws, it will always be necessary to make a shift in the taxes, and it will never be possible to join issue with the fundamental and basic proposal that for an expanding economy such as we have, and which we always hope to keep, it is necessary constantly to increase the per capita purchasing power of the great masses of the people, not of little groups here and there.

I am not regretful that there are good things in the tax law. I thoroughly rejoice that they are present. But I do not believe the tax law should be blown up into a great accomplishment, when actually the philosophy back of it leads very definitely away from a constantly growing and expanding economy in the United States. I know that, or at least I think I know it; and I have been perfectly willing to take my stand upon that

Mr. LONG. Mr. President, I, too, voted for the passage of the tax bill which the President signed today. I did so reluctantly. Like the Senator from Georgia [Mr. George], whom I admire very much, I felt there was a great oversight in the bill, because it provided little or nothing for the great majority

of American families.

It is true that the bill has provided a measure of relief for many persons. It provided relief for those who receive corporation dividends. It has provided some relief for a working mother, if she can afford to hire a baby sitter. It has provided some relief for those having retirement incomes, such as retired firemen and policemen, and others in that category. Some additional relief is provided in the case of medical expenses.

But I believe it will be found that the relief provided in the new law is directed

in such a manner that about 80 percent of the relief will go to less than 20 per-

cent of the people.

It will be found further that in the new tax law more than 50 percent of the taxpaying families will receive no

relief whatsoever.

The third-year cost of the law is estimated to be \$3,400,000,000. If that amount of relief had been spread evenly among all taxpaying families it would have meant \$80 of tax relief for every taxpaying family. As it is, the bill will not provide 5 cents worth of tax relief for a majority of the families who pay

taxes today.

I was willing to vote for passage of the bill which included relief for corporations on their dividends. I was willing to vote for proposals to give corporations an additional depletion allowance. I only regret that we were unable to provide the type of relief which would make it possible for every American taxpayer to have some benefit from the bill. Such relief has not been provided, although an effort was made on the floor of the Senate to provide it.

The Senator from Georgia [Mr. GEORGE], on behalf of himself and several other Senators, including myself, offered an amendment which would have amounted to a reduction of about \$20 each year in taxes for every taxpayer, about \$20 reduction in taxes additionally if he were married, and about \$20 additional reduction for every child in the family. For the average family that would have been about \$80 of tax relief. That amendment was opposed on the Republican side of the aisle, the argument being that such relief would be too expensive to provide.

It would not be any more expensive than the bill which we had before us at the time, and yet from the Republican side of the aisle a motion was made to reduce by one-half the tax reductions proposed by the amendment of the Senator from Georgia/ When that motion failed to carry, the Republican side of the aisle voted almost solidly against the proposal by the Senator from Georgia to reduce taxes on every American family. They succeeded in defeating that amendment.

Hoping that the Republicans might be willing to vote for the sort of amendment we would have had if the Republican proposal to reduce the relief by half had prevailed, I then proceeded to offer an amendment to provide \$20 relief for every taxpayer and \$40 relief for every married couple. A single man could have had \$20 tax reduction and a family could have had \$40 tax reduction.

Although it might have appeared that such a proposal would have great support from the Republican side of the aisle, only 2 Senators on the other side of the aisle voted for that amendment. The result was that the amendment was defeated, although 30 Democrats voted for it. Mr. President, those were proposals which would have provided tax relief for everybody in this country.

Let us see what has happened since January 1. On January 1, the corporation excess-profits tax expired. My best estimate is that the income from that tax was about \$1,600,000,000 each year. Personal income taxes were reduced automatically, as provided by a previous Congress, involving loss of revenue of another \$3 billion, let us say. On the same day the social-security tax went up by one-half of 1 percent on the employer and one-half of 1 percent on the employee, a total increase of about \$1,600,-000,000.

Applying that increase against the tax reduction, we had a net tax decrease of approximately \$3 billion a year.

What was the effect so far as the average man in America was concerned? An industrial worker, earning his living, with an income of approximately \$3,500 a year on January 1 would have had his income tax reduced by \$16.50. On the same day his social-security tax would have been increased by \$17.50, leaving him paying \$1 a year more taxes on his income than he had been paying before.

However, if he were so fortunate as to be one of those in the upper incometax bracket, making \$50,000 a year, although his social-security tax would have been increased \$17.50, his personal income tax would have been reduced by \$1,850, with the result that he would then have had a net tax reduction of approximately \$1,832.50 each year. That is a major reduction for a person in that income-tax bracket, compared to the \$1 a year increase which the average industrial worker suffered on January 1.

Therefore, Mr. President, it would have seemed that in this subsequent tax bill we should have provided genuine tax relief for the average American family. It was not provided in this bill. Although many of us tried to provide it, we were unsuccessful.

So far as some of us are concerned, we look upon this bill as something of a watermelon-splitting party. We have cut the watermelon—the watermelon of tax relief. The half which was properly to belong to the corporations, to those in the upper income-tax brackets, to those who receive corporation dividends, to those who wish to make gifts of insurance policies to their children, was properly delivered to those individuals.

Unfortunately, the half which should have gone to the average American citizen was left out. For my part I can only explain that that is about the best tax bill one can get under a Republican Congress. We tried to make it one that would have reduced income taxes on every American citizen. Unfortunately, less than half of them will be benefited by this bill.

SURVIVOR BENEFITS FOR WIDOWS OF CHIEF JUSTICES AND ASSO-CIATE JUSTICES OF SUPREME COURT

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report favorably, without amendment, the bill (S. 3873) to provide survivor benefits for widows of the Chief Justice and the Associate Justices of the Supreme Court of the United States, which was introduced earlier today by the Senator from Kentucky [Mr. CLEMENTS]. I ask unanimous consent for the immediate consideration of the bill.

Mr. KNOWLAND. Reserving the right to object-and I do not intend to object—is this the matter the Senator from Nevada discussed with the majority and minority leaders earlier, relative to pensions for widows of Justices of the Supreme Court and widows of former Justices of the Supreme Court?

Mr. McCARRAN. It is.

The PRESIDING OFFICER (Mr. CRIPPA in the chair). The clerk will read the bill for the information of the Sen-

The Chief Clerk read the bill, as fol-

Be it enacted, etc., That chapter 17 of title 28, of the United States Code, as amended, is amended by adding at the end there-

of the following new section:
"375. Annuities to widows of the Chief Justice and Associate Justices of the Supreme Court of the United States.

"(a) The Director of the Administrative Office of the United States Courts, shall pay to the surviving widow, if any, of a Justice of the United States who has died or who dies while in regular active service, or who has died or who dies after having retired or re-signed under the provisions of this chapter, an annuity in the amount payable to the beneficiary under the act of January 14, 1937

(50 Stat. 923 ch. 3).

(b) An annuity granted under the provisions of this section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month for which the annuity shall have accrued. Such annuity

shall commence on the first day of the month in which any such Justice dies, or on the first day of the month in which this section is enacted, whichever is later, and shall terminate upon the death or remarriage of the annuitant."

CONGRESSIONAL RECORD — SENATE

SEC. 2. The analysis of chapter 17 of title 28, of the United States Code, immediately preceding section 371, is amended by inserting at the end thereof the following:

"375. Annuities to widows of the Chief Justice and Associate Justices of the Supreme Court of the United States."

Mr. McCARRAN. Mr. President, this bill comes to the floor of the Senate by reason of a poll of the Committee on the Judiciary. All members of the Judiciary Committee, except the Senator from Wisconsin [Mr. WILEY], who was not available, and two members who were out of the city, have signed the poll. I ask unanimous consent that the bill be immediately considered.

The PRESIDING OFFICER. Is there objection to the present consideration

of the bill?

There being no objection, the bill (\$, 3873) to provide survivor benefits for widows of the Chief Justice and the Associate Justices of the Supreme Court of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed.

EMERGENCY CREDIT

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3245) to provide emergency credit, which was, on page 1, line 3, strike out "December 31, 1954," and insert "June 30, 1955."

Mr. AIKEN. Mr. President, this bill has been taken up with both the majority and minority leaders of the Senate, and they are agreeable to having the House amendment considered at this time.

The bill passed the Senate on May 13 and was considered by the House later. The House amendment simply provides for extending the time 6 months longer than the Senate bill did. I move that the Senate concur in the House amendment.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 3189. An act providing for the conveyance by the United States to the Monterey County Flood Control and Water Conservation District, Monterey County, Calif., of Certain lands in Camp Roberts Military Reservation, Calif., for use as a dam and reservoir site and for other purposes;

S. 3595. An act to direct the Secretary of the Army to convey certain property located in El Paso, Tex., and described as part of

Fort Bliss, to the State of Texas;

S. 7712. An act to authorize the Commander, Air University, to confer appropriate degrees upon persons who meet all requirements for those degrees in the Resident College of the United States Air Force Institute of Technology;

S. 3750. An act to direct the Secretary of the Air Force or his designee to convey cer-

tain property located in proximity to San Antonio, Bexar County, Tex., to the State of Texas; and

S. 3822. An act to authorize the ance to the State of Texas of approximately nine acres of land in Houston, Tex., to be used for National Guard purposes.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H.R. 2948. An act to amend section 308 of the Tariff Act of 1930, as amended;

H. R. 9910. An act to amend section 413 (b) of the Foreign Service Act of 1946.

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H.R. 6672. An act to increase the public debt limit;

H.R. 7734. An act to amend section 47 of the National Defense Act concerning the requirement for bond covering certain property issued by the United States for use by Reserve Officers' Training Corps units maintained at educational institutions;

H. R. 8628. An act to amend the Tariff Act of 1930 to insure that crude silicon carbide imported into the United States will continue to be exempt from duty;

H. R. 8753. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the Administrator to report the unauthorized use of Government motor vehicles, and to authorize the United States Civil Service Commission to regulate op-erators of Government-owned motor vehicles, and for other purposes; and

H. R. 10009. An act to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, to repeal or amend obsolete provisions of the customs laws, and for other purposes.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payments thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. REED of New York, Mr. JENKINS, Mr. Simpson of Pennsylvania, Mr. Cooper, and Mr. Drigell were appointed managers on the part of the House at the conference.

The message further announced that the House further disagreed to the amendment of the Senate to the bill (H. R. 9757) to amend the Atomic Energy Act of 1946, as amended, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cole of New York, Mr. HINSHAW, Mr. VAN ZANDT, Mr. DUR-HAM, and Mr. PRICE were appointed man agers on the part of the House at the further conference.





Public Law 727 - 83d Congress Chapter 1145 - 2d Session S. 3245

AN ACT

To provide emergency credit.

Be it enacted by the Senute and House of Representatives of the United States of America in Congress assembled, That until June Agricultural 30, 1955, the Secretary is authorized to make emergency loans for loans. any agricultural purposes, except for refinancing of existing indebted- Emergency. ness, aggregating not to exceed \$15,000,000 to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home, Administration under its regular programs or under the Act of April 6, 1949, or other responsible sources.

SEC. 2. Loans under this Act shall (1) be made only to individuals or partnerships who are actively engaged in the operation of farms or ranches; (2) not exceed \$15,000 in the case of any one loan; (3) not be made to any one borrower so as to increase the total indebtedness of such borrower under this Act to an amount in excess of \$20,000 (including principal and accrued interest); (4) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (5) be secured by the personal obligation and available security of the producer or producers.

Sec. 3. The Secretary may utilize the revolving fund created by sec- 68 Stat. 999. tion 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 68 Stat. 1000. 1148a), for making loans under this Act, and for administrative 48 Stat. 273. expenses in connection with such loans. Snms received by the Secretary from the liquidation of loans made under this Act shall be added

to and become a part of the said revolving fund.

Approved August 31, 1954.



